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No. 75

Ontario, LEGISLATIVE ASSEMBLY

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Tuesday, June 15, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

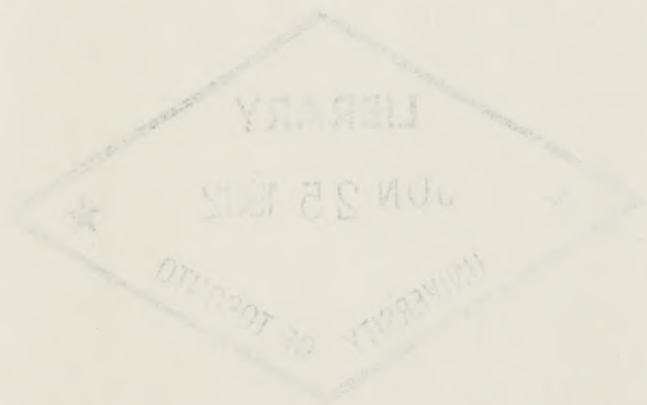




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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Tuesday, June 15, 1982

The House met at 2 p.m.

Prayers

## STATEMENT BY THE MINISTRY

### ONTARIO HUMAN RIGHTS CODE

**Hon. Mr. Welch:** Mr. Speaker, on behalf of the Premier (Mr. Davis), I would like to draw to the attention of honourable members that 20 years ago today, the Ontario Human Rights Code became law. Ontario was the first Canadian jurisdiction to enact a comprehensive code of human rights and this became the model for similar statutory protection across the country.

As we mark this anniversary, I think it is appropriate to pay tribute to those who were responsible for the initial development of the code and for its subsequent progressive implementation. Their commitment has ensured that we remain in the forefront in the fight against discrimination. I think particularly of the contribution of the Honourable John Robarts, who took such a strong personal interest in this initiative in 1962.

But we have more to celebrate today than this auspicious anniversary. As members know, this is also the day on which our new Human Rights Code comes into effect. Its significantly expanded mandate, along with important new procedural and remedial provisions, underlines our continued commitment to be in the vanguard in protecting individuals against discrimination.

All of us can take pride today in this statute which will enable us to preserve and protect the kind of society we in Ontario wish to have. The openness of the process by which we arrived at the new code is in itself a reflection of this objective.

As a result of public hearings conducted by the Ontario Human Rights Commission in 1975 and 1976, and of the extensive legislative and public debate of the government's proposals, we have, I believe, achieved a code which addresses the major human rights concerns of the people of Ontario in 1982.

All participants in the process, and particularly the members of this House, can be justifiably proud of the contribution each has made. I would like to single out the efforts of the

Minister of Consumer and Commercial Relations (Mr. Elgie), whose vision and personal commitment to human rights are so clearly manifested in our new code.

As we mark this important milestone in the evolution of human rights in Ontario, I know that the House joins me in expressing our best wishes, and our keen and continuing interest, to the new chairman, Canon Borden Purcell, and his fellow commissioners and the staff, as they move to meet the challenge of their new mandate.

**Hon. Mr. Gregory:** Mr. Speaker, I wonder if I might ask the House to give me a minute to get the minister.

Interjections.

**Mr. Speaker:** Order.

**Mr. Peterson:** A brief hiatus.

**Ms. Copps:** They do not even show up for question period now.

**Mr. Peterson:** Mr. Speaker, since there is a brief hiatus in the proceedings of the House as the government whip goes to get some minister or other, would you kindly search out the Treasurer (Mr. F. S. Miller) who has missed something like eight out of the last 18 question periods since his budget and has not been here to account? We will sit here and wait for him too.

## MEMBERS' EXPENDITURES

**Mr. Speaker:** Just while we are waiting, I would like to inform the House that I have today laid upon the table the individual members' expenditures for the fiscal year 1981-82. I would advise all honourable members that these documents will be deposited in the individual post office boxes and may be picked up at their convenience.

**Hon. Mr. Gregory:** Mr. Speaker, the Minister of Government Services (Mr. Wiseman) is not here to give his statement. He will give it tomorrow.

## ORAL QUESTIONS

### ABSENCE OF TREASURER

**Mr. Peterson:** Where is the minister? Would you be so kind, Mr. Speaker, to tell me



if the Treasurer is coming or, perhaps, the acting government House leader would know the answer to that question? The Treasurer has been conspicuously absent since his budget. Perhaps I could just wait until he comes.

**Mr. Speaker:** I do not have any way of knowing that, of course. Having called oral questions, I would suggest that we get on.

**Mr. Foulds:** Mr. Speaker, I move the adjournment of the House until the responsible ministers are here.

**Mr. Speaker:** I am afraid that motion is out of order because we have not reached the orders of the day at this point.

**Mr. Foulds:** We could have a recess.

**Mr. Speaker:** The standing orders are quite clear, the House proceeds at 2 p.m. and routine proceedings carry on. I have called oral questions; we will proceed.

**Mr. Peterson:** On a point of order, Mr. Speaker: Since you have just established a precedent, sir, at the request of the government House leader—

**Mr. Speaker:** Order. I have not established any precedent at the request of anybody. The standing orders are very clear and, frankly, I object strongly to that insinuation.

**Mr. Peterson:** Kindly hear me out; just to recall the chronology—

**Mr. Speaker:** I would ask you to withdraw that statement, please.

**Mr. Peterson:** Hear me out, Mr. Speaker. Withdraw what?

**Mr. Speaker:** I would ask you to withdraw that insinuation: acting under the instructions of somebody else.

**Mr. Peterson:** At the request of.

**Mr. Speaker:** No, sir.

**Mr. Peterson:** If you would be good enough to hear me out, Mr. Speaker—

**Mr. Speaker:** I would ask you, please, to withdraw that remark.

**Mr. Peterson:** I will withdraw whatever is offensive to you, Mr. Speaker. I am not sure I understand it but then I would like to proceed with my point.

**Mr. Speaker:** Yes, you may.

**Mr. Peterson:** The point as I understand it, sir, is that about five minutes ago the acting government House leader stood up and said, "We cannot find the minister, who is supposed to give a statement"—who has now shown up.

He asked you for a moment or two while he went to search out that minister; he then left the chamber to find the minister.

**2:10 p.m.**

In the meantime you decided, in your judgement, to occupy the time of the House telling us that you had just tabled the members' expenses for the year instead of proceeding with either ministerial statements or oral questions from the opposition. When the government whip came back he said to you that he could not find the minister, and then you proceeded with oral questions.

I would suggest to you that somehow or other you agreed to follow his request to you, at least in some measure. Therefore, I would suggest that there is some precedent, that you have the power you have just established to hold up the proceedings of the House or do something else; or perhaps you would like to make another statement of some type or other as we await the presence of the Treasurer (Mr. F. S. Miller), who has vacated not only his responsibilities but also this House.

I am extremely upset about the lack of respect on the part of the government, particularly the Treasurer, who has presented us with a most controversial budget, who is not prepared to discuss it in committee, is not prepared to bring forward the budget bills and now is not prepared to sit in the House and answer for his budget.

You ruled, in your wisdom, Mr. Speaker, that my colleague the deputy leader of the New Democratic Party was out of order when he moved for adjournment. I would ask you, sir, to exercise the great powers you do have in presiding over this chamber to make sure that opposition members are treated fairly and that the Treasurer will in fact come to answer for his budget.

If you are not prepared to do that, sir, I would ask to stand down until the Treasurer does come into this chamber today. Or perhaps the acting House leader can shed some light on this mysterious chap.

**Mr. Speaker:** I would suggest that what I have done in the proceedings to date is quite clearly written under the standing orders; I have not departed in any way, shape or form. The House leader did inform the House that the minister who was going to make a statement was apparently not prepared to make that statement. I moved on to the next order of business, which is clearly established under standing orders.



It is not my responsibility—I want to say this again very clearly to all honourable members—to assure the attendance of anyone in this House, whether he be on the government side or on the opposition side.

**Mr. Nixon:** On the point of order, Mr. Speaker: I think perhaps you might recall that the leader of my party did bring to your attention that during the hiatus, to use his very word, you did proceed with some other business of the House. It seems to me that under those circumstances the government ought to either produce the Treasurer or give some reasonable explanation for his continued absence day after day.

**Mr. McClellan:** If I may speak briefly to the same point, Mr. Speaker: It would surely be a matter of common courtesy for the government to advise the opposition whether or not the Treasurer intends to be present today. If he is going to be delayed, I would suggest that you put it to the House, for unanimous consent, that we recess until the Treasurer deigns to appear among us.

**Mr. Speaker:** The acting government House leader has that information, quite obviously, and is going to share it with us now.

**Hon. Mr. Gregory:** Mr. Speaker, going back to the remarks of the Leader of the Opposition (Mr. Peterson), I specifically asked if the House would give me a few moments, not the Speaker. I would like to point out that at the present time, the Treasurer—and, as members know, he has many responsibilities—is meeting with the Ontario Caterers Association. Yesterday, the member chastised him for not meeting with that very association.

Interjections.

**Mr. Sweeney:** Why at two o'clock in the afternoon? Why not in the morning?

**Mr. Speaker:** Order. The acting government House leader had the floor. Were you finished with your statement?

**Hon. Mr. Gregory:** I wanted to add only that he expects to be here shortly.

Interjections.

**Mr. Speaker:** Order.

**Mr. Foulds:** Mr. Speaker, I think the question before us is a fundamental one. Traditionally in parliament the opposition members of the Legislature have had the authority, the privilege and the responsibility of examining tax measures and budgetary matters.

When the government has taken the action it has now taken of withdrawing those specific

bills from discussion in the Legislature, and when the Treasurer has absented himself from the House so the opposition is unable to put questions to him on the single, most important issue in the public domain in Ontario at the present time, the tax measures, surely it is within the Speaker's responsibility, privileges and rights to protect our rights by calling for a recess of the House until the Treasurer has finished meeting with the caterers and we can question him in this Legislature.

**Mr. Peterson:** Mr. Speaker, I think the deputy leader of the New Democratic Party put the point very well given the extraordinary nature of the circumstances here. I would share his request to you to ask for the unanimous consent of this House either to recess until the Treasurer shows up today, to stand down, or else we and the members of the New Democratic Party can sit here in silence and wait for the Treasurer to come.

**Hon. Mr. Gregory:** Mr. Speaker, as I mentioned earlier, the Treasurer is expected shortly. He has an important engagement. Rather than waste the question period and the time of the leaders of the opposition parties, may I ask for unanimous agreement of the House to revert to statements?

**Mr. Martel:** Mr. Speaker, shortly after the budget came in several weeks ago, the Treasurer decided to go to Sault Ste. Marie and the following week he decided to go to Japan. Almost daily, the Premier (Mr. Davis) has asked us to ask him the questions and he would get the answers. I am still waiting to hear some of those answers that were long since promised.

I do not see how we can discuss anything pertaining to the budget when the Treasurer refuses to come to the Legislature. He was not here yesterday and he is not here today. When does he come around to answer for his budget, particularly in view of the fact he is not here to answer and the government will not send any of the bills to committee where people from the outside could make presentations?

We are in a bind. The Treasurer will not answer, he will not show up and the government will not send the bills to committee so there is no way of dealing with budgetary matters. What are we supposed to do? Are we supposed to just stand around and ask the Premier who might get us an answer or do we adjourn the House and wait for them to come back? We should recess for a while.

**Mr. Speaker:** May I point out to the member for Sudbury East (Mr. Martel) there is nothing in the standing orders that provides for the questioning of the Speaker.

**Mr. Martel:** Well, Mr. Speaker, that is so.

**Mr. Speaker:** Order. I am on my feet.

**Mr. Martel:** All right, don't panic.

**Mr. Speaker:** I am not, so the member should not. As I said before, I have no prior knowledge of who is going to be here and who is not going to be here. It is not my responsibility to ensure the attendance of anyone in this chamber. We all know the time this chamber convenes. We all know what the order of proceedings is and I have called oral questions. I would suggest we get on with oral questions by questioning other ministers.

**Hon. Mr. Gregory:** Mr. Speaker, I had asked for unanimous agreement of the House to revert to statements. Perhaps that might give us the time we need.

**Mr. Speaker:** Do we have the unanimous consent of the House to revert to ministerial statements?

**Mr. Di Santo:** No, no.

**Mr. Speaker:** Okay. I have no alternative but to go on with oral questions.

2:20 p.m.

**Mr. Peterson:** Mr. Speaker, in view of the circumstances and these unfulfilled promises, I have no questions until the Treasurer shows up to answer. It is about time he showed up in this House. We will leave the House until he returns.

**Mr. Foulds:** Mr. Speaker, on a point of order: Can you inform me if, when the opposition absents itself, you will run the clock for question period?

**Mr. Speaker:** Yes, the clock is running. That was the very point I was trying to make. I have called oral questions and the clock is running. That is the order of business that has been called.

**Mr. Foulds:** Could we have unanimous consent of the House to revert to questions when the ministers appear?

**Mr. Speaker:** I do not understand your request because we do not have to revert; we are now in the oral question period.

**Mr. Foulds:** In those circumstances, we do not feel that we can proceed with question period. However, we will sit in our places and remain silent in protest.

## HIGHWAY TRAFFIC AMENDMENT BILL

**Mr. Robinson:** Mr. Speaker, I have a question for the Minister of Transportation and Communications. In light of the swift and speedy passage through second reading last night of a number of amendments to the Highway Traffic Act, including one which will provide for mandatory child restraints in vehicles in Ontario, can he tell this House when he anticipates that third reading may be called and at what point thereafter implementation of the program will begin?

**Hon. Mr. Snow:** Mr. Speaker, the amendments to the Highway Traffic Act were referred to the committee of the whole House. We had intended to proceed with that last evening but we ran out of time. I will now have to wait until the House leader schedules time for the committee discussion, which I believe will be brief.

I have two minor amendments to introduce, after which time the bill will receive third reading and, I hope, royal assent. I expect that the implementation date will be some time in late summer or early fall.

**Mr. Robinson:** In the light of the minister's answer, will the minister be encouraging an educational program designed to have parents make use of child restraint devices even now, in the period before the passage of the legislation in the House and its formal implementation?

**Hon. Mr. Grossman:** These are the best questions we have had in a long time.

**Mr. Speaker:** Order.

**Hon. Mr. Snow:** If the Minister of Health would refrain: Yes, we will be proceeding with an educational program within the limits of the money we will have available. As I mentioned last night during the debate, we do not have a budget that is sufficient to carry on an intensified public relations or educational program.

However, I will be asking members of this House to do everything possible, through their newsletters to constituents and other means they have within their ridings—press releases, speeches and what not—to advise the public of these new regulations which will be forthcoming and to encourage people to start using child restraint devices as soon as possible, even before the regulations are in force, for their own personal safety and that of their children.

**Mr. Speaker:** New Democratic Party? That was the final supplementary.

**Mr. Cooke:** They want to treat this place like it's a one-party system. A one-party state is exactly how you treat it. You've got no respect



for democracy. You don't even know what it means.

**Mr. Speaker:** Order, order. I have recognized the member for Durham East.

#### GO TRANSIT SERVICES

**Mr. Cureatz:** Mr. Speaker, a question to the Minister of Transportation and Communications. I know the member for Oshawa (Mr. Breaugh) would also like to ask this question but at the moment he is unavailable.

Could the minister inform the House whether he has made any progress in determining whether the GO train will be expanded to Oshawa? Has the 90-day report been tabled as yet? Has the report on the expansion of the GO train to Oshawa been tabled?

**Hon. Mr. Snow:** No, Mr. Speaker. As I announced in the House a few weeks ago, I anticipated that it would be 90 days before my staff could fully review all the options which we wished to look at. That is in progress now. At a meeting I had with GO Transit officials as recently as this morning, I was told that the work is on schedule and I hope to have the report on my desk by July 30.

**Mr. Cureatz:** Can the minister foresee any extension of his 90-day format which he indicated to the House about a month ago?

**Hon. Mr. Snow:** I cannot add any more to what I have said. My staff tell me they will have their work completed and will have their report to me by July 30, which I believe will be within the 90 days I asked for.

**Mr. R. F. Johnston:** On a point of order, Mr. Speaker: Standing order 27(a) says, "The oral question period shall be limited to 60 minutes, including supplementary questions . . ."

Inasmuch as you have not had any real questions as yet, Mr. Speaker, it is within your power to call an end to question period, if you would like to.

**Mr. Speaker:** Order. I have called oral questions. I have given everybody in the House the opportunity to ask those questions. The people who stand up are being recognized during this period.

I would like to point out to honourable members, going a little further into standing order 27(a), "The oral question period shall be limited to 60 minutes, including supplementary questions and points of order."

It is my understanding that if questions are depleted before 60 minutes are used up, then we move on to the next order of business.

**Mr. Hennessy:** Mr. Speaker, I wish this would happen more often. I never get a chance to speak with the opposition talking all the time.

**Mr. Speaker:** Now for the question.

#### McKELLAR GENERAL HOSPITAL

**Mr. Hennessy:** Mr. Speaker, my question is to the Minister of Health. Yesterday, at a news conference, the McKellar General Hospital nurses urged immediate action. The news release says:

"Evidence continues to mount that the nursing care at McKellar General Hospital is not proper or even safe, but the nurses are unable to get any concrete commitment from either the hospital's administration, the board of governors or the provincial Health ministry for immediate action to remedy the critical situation.

"The hospital administration says they do not have the budget and the board of governors and Health minister Larry Grossman have declined to meet with the nurses."

I would like to ask the minister about that request.

**Hon. Mr. Grossman:** Mr. Speaker, that is an excellent question and I am delighted the member for Fort William raised the concerns on behalf of the people in all of Thunder Bay, including the people in the riding of Port Arthur who are so often forgotten, particularly today when their member has chosen not to speak on this very important and pressing matter in the Thunder Bay area.

**Mr. Speaker:** Now to answer the question, please.

**2:30 p.m.**

**Mr. R. F. Johnston:** On a point of order, Mr. Speaker: The minister is imputing motives to the member for Port Arthur (Mr. Foulds). He knows very well that we are protesting the absence of the Treasurer in this House. It has nothing to do with a lack of interest by the member in this particular issue and the minister knows that. Now that the Treasurer is here, maybe we can get back to dealing with this House in a proper fashion, not as a one-party state.

**Mr. Speaker:** The minister will answer the question, please.

Interjections.

**Hon. Mr. Grossman:** The Liberals are trooping back from the Science Council of Canada.

Interjections.

**Hon. Mr. Grossman:** You will get your turn. David has only a few years to go.

**Mr. Speaker:** On to the question, please.

Interjection.

**Hon. Mr. Grossman:** Yes. Look how well you did when Stuart was here.

**Mr. Speaker:** Never mind the interjections.

**Hon. Mr. Grossman:** In any case, I want to address this—

Interjections.

**Mr. Speaker:** The Minister of Health has the floor, answering a question of the member for Fort William.

**Hon. Mr. Grossman:** For those members who are interested in the situation at McKellar General Hospital in Thunder Bay, I would like to indicate that we have reviewed the situation at the hospital. The nursing staff should be aware that just last week the hospital was in, on Thursday or Friday, forwarding a request to the ministry for some more funding and we will be looking at that as time goes on. We are dealing with that at the present time and hope to have some further answers for the hospital shortly.

I think it is important to remember that there was an independent nursing assessment committee established one year ago. Since that time, there has been extensive action taken by the McKellar hospital. The intensive care unit staff has been increased to approximately 35 full-time employees from the previous 23. There has been a total restructuring of the in-house education programs for nurses in recent months in accordance with the assessment committee recommendations. They have upgraded their in-house orientation program for nurses in recent months, also as recommended by the assessment committee.

Finally, the executive director of McKellar indicates that hospital complement has been increased by 30 additional full-time positions within the nursing department since the assessment committee review occurred in the spring of 1981.

Just to round the picture out entirely, Dr. Peter Neelands, the president of the Thunder Bay Medical Association, confirms our view of the hospital as a safe and proper facility. Dr. Neelands thinks McKellar is "a very good hospital and very safe. If you want to get respiratory care, if you have a head injury in this area, McKellar is still the place to go and you get damned fine care."

In response to the suggestion that I have not

agreed to meet with the nursing staff at the hospital, may I say very simply that at the appropriate time when hospitals draw these kinds of situations to our attention, obviously we will be willing to meet with the hospital and anyone else who has interest in the hospital day-to-day management. At the present time, when it comes to questions of the day-to-day operation of the hospital, which is what this is all about, it remains quite properly in the hands of the hospital administration. We are satisfied that McKellar remains a safe and reasonable hospital.

**Mr. Hennessy:** Can the minister assure me that the nurses from McKellar hospital will receive consideration, not just that the hospital will come down here and meet and the nurses will be forgotten? I think the main problem is maybe the lack of nurses. I would like the minister and his staff to give them every consideration.

**Hon. Mr. Grossman:** I can assure the honourable member that we are reviewing the situation very carefully, as he can tell from the detail of this answer. We will be monitoring the situation with regard to McKellar's response to the various issues raised. If it appears appropriate to have the hospital or the nursing group or both in to see me, then with his assistance we can arrange that.

**Mr. Speaker:** We will revert to the regular order of oral questions as provided for in standing order 27(b). The Leader of the Opposition (Mr. Peterson).

Order, order. The Solicitor General.

**Hon. G. W. Taylor:** On a point of order, Mr. Speaker: I believe you did start the question period. The rule calls for the normal procedure to start where the two leaders can put their questions. They were not here. At other times we have done it on consent when they have wanted to rotate the order. You started with the order for question period, Mr. Speaker; this side started, and they refused to participate in question period. Now you should go to that side with the rotation, but there should be no leaders' questions unless you obtain the consent of the House.

**Mr. Laughren:** Is this government policy?

Interjections.

**Mr. Speaker:** Order. The standing orders are quite clear as to the rotation; they are quite clear as to the provision for questions by the leaders of the two opposition parties.



**Mr. Laughren:** We can now debate your rulings; is that it?

**Mr. Speaker:** I beg your pardon?

**Mr. Laughren:** Can we debate your rulings from now on?

**Mr. Speaker:** No, you cannot. I am not debating; I am giving an explanation, if you would open your ears.

We will revert to oral questions as provided by standing order 27(b). The Leader of the Opposition will put his first question.

### RETAIL SALES TAX

**Mr. Peterson:** Thank you, Mr. Speaker. I want to welcome the Treasurer back to the House, and I want to say this—

**Mr. Watson:** Welcome back, David.

Interjections.

**Mr. Speaker:** Order.

**Mr. Elston:** He's just being nice about it. He welcomed him.

**Mr. Speaker:** Order. Having regard for the mood of the House, I request the co-operation of all honourable members by not prefacing their questions with any provocative statements or remarks.

**Mr. Peterson:** I was being as generous in spirit as I possibly could be in welcoming our lost brother back to the House.

In view of the fact that the Treasurer has missed eight out of the last 18 question periods; in view of the fact that he meets only reluctantly with people and frequently as a result of pressure from the opposition, witness his meeting at 1:30 today with the Ontario Caterers Association; and in view of the fact that he is not prepared to introduce his budget bills so we can have a discussion in this House, surely it is not unreasonable to ask the Treasurer to use his influence to send the Retail Sales Tax Act to committee so we can have an open hearing where we can hear witnesses expressing their point of view on this most controversial tax measure which he has introduced.

**Mr. J. M. Johnson:** Is that the same question you asked last week?

Interjections.

**Mr. Peterson:** Is that not true?

**Hon. F. S. Miller:** Mr. Speaker, it is nice to see that the Leader of the Opposition recognized he did not have a question until that point.

If he checks the last 10 question periods, I think he will find I have been here for nine of

them. During one of them, I was consulting with the municipalites of this province about some of their problems, as the Leader of the Opposition quickly tells me I should do. I was a little late today because I spent almost an hour with the mobile caterers, as he suggested I should do.

Interjections.

**Mr. Speaker:** Order.

**Hon. F. S. Miller:** I know the Leader of the Opposition works very hard, but I spend as many hours per day seeing as many groups as I can whilst balancing that with my obligations to be here and to be other places. Once in a while, like the Leader of the Opposition, who also has been away the odd day, I have other pressing problems that take me away from the House.

I had a very good discussion with the mobile caterers. Members may question me about it later if they wish.

To get back to the question that was asked: Under standing order 56(c), the Leader of the Opposition and his party have the right to direct that bill to any committee they wish. Why do they not let it pass and do that?

**Mr. Peterson:** Why does the Treasurer not bring it up for second reading? That is the whole point.

**Hon. F. S. Miller:** Mr. Speaker, is that a question?

**Mr. Peterson:** No. Let me—

Interjections.

**Mr. Speaker:** Order. I did not recognize the Treasurer. I would again ask the co-operation of people asking questions to be very careful in the wording they choose in prefacing the question.

2:40 p.m.

**Mr. Peterson:** Since the Treasurer has now decided to consult me with respect to his schedule, would he not agree it was rather unfair to leave this House the day after the budget to go to Sault Ste. Marie? Was it not rather unfair to the other members of this House and the people of this province to leave for Japan for a week in the week after his budget and then to miss other question periods because he was travelling about?

Would he not agree it was particularly unfair for him not to be here yesterday, Black Monday as it is called by so many people across this province, to answer for his tax increases? If the Treasurer wants to hear a discussion on this, why does he not instruct his House leader to bring in the Retail Sales Tax Act so we can have

a discussion on the budget bills here in this House?

**Hon. F. S. Miller:** First, let us get our facts straight. He said I was not here for question period after the budget and that I was in Sault Ste. Marie. That is false. I was here the day after the budget. I was also here the Monday after the budget when he left the bells ringing for four days, wasting the time of this House.

**Mr. Bradley:** One question period.

Interjections.

**Mr. Speaker:** Order.

**Hon. F. S. Miller:** I was here on the Tuesday—

**Mr. Wrye:** One.

Interjections.

**Mr. Speaker:** Order.

**Mr. Wrye:** We were not sitting on Saturday.

**Hon. Mr. Ashe:** Friday, Saturday, Sunday, Monday—four days.

**Ms. Copps:** You can't count either.

**Hon. Mr. Ashe:** The bells rang four days.

**Mr. Breithaupt:** One question period.

**Hon. F. S. Miller:** I have also been here through 7½ hours of the reading of public accounts when Bill 111 could have been discussed. Does the member call that anything but a filibuster? I would just ask him to request an unvarnished, unbiased opinion of anyone in the gallery as to whether we stuck to the facts and progressed through the business of this House in an orderly, expeditious way. The answer is no. He could have done it if he had wanted to.

**Mr. Cooke:** Mr. Speaker, the Treasurer can try to fudge the issue, but when the sales tax bill is referred out to committee, which this party has indicated it will do by 20 members standing, will his party block or will it not block public hearings? Secondly, what does he have against public hearings on the sales tax bill? I understand from earlier today in question period that he does believe in a one-party system, but what is wrong with bringing the other 55 members who represent the majority of the voters in this province into debate and testimony in front of the committee so we too can have proper input in making a decision on this bill?

**Hon. F. S. Miller:** Standing 20 members in their places is somewhat difficult for his party these days.

Interjections.

**Mr. Speaker:** Order. I asked the co-operation of those people who were asking questions not

to be provocative. I am asking the co-operation of all those answering questions not to be provocative.

**Hon. F. S. Miller:** As Treasurer, I am charged with adding—

**Mr. Cooke:** Why don't you take this place seriously for once?

**Mr. Speaker:** Order. The member for Windsor-Riverside has asked a supplementary.

**Mr. Cooke:** Tell that joker over there to take this place seriously.

**Mr. Speaker:** Let the Treasurer respond.

**Hon. F. S. Miller:** Mr. Speaker, what happens in any committee of this House is a function of the opinion of my Premier, the House leader and the committee. I have great confidence in the democratic process, which has lived well for many years with most governments having a majority in most parts of the world. If the third party has suddenly lost confidence in a system of government that is, finally, responsible to the people, then it should not be here.

Interjections.

**Mr. Peterson:** What possible reason can the Treasurer have for not letting this bill go to committee, for not instructing his supporters to allow outside witnesses so that we can hear people affected by this bill? If that undertaking is given by him and his House leader, we can easily arrange for speedy passage of the Retail Sales Tax Act through second reading of this House and get into a full discussion, this summer, of some of the details that we think are wrong. Surely it is not an unfair request on our part that the Treasurer ask his supporters to bring in outside witnesses? He has that power and should not deny it. Why do we not all work along those lines?

**Hon. F. S. Miller:** The Leader of the Opposition has lots of power too, and he is showing it, which is only fair. That is the democratic process. The opposition takes certain risks and we take certain risks. They are using up a lot of time in what they may or may not call a filibuster, but the risk is that the public will either see us as being wrong, or the opposition as wasting their time. Each of us has to assess the situation.

**Mr. Riddell:** Go to the people.

**Hon. F. S. Miller:** My friend, elections are every four years. We will stand on our record when we go to the people and you will still be on that side of the House.

Interjections.



## BUDGETARY PROCESS

**Mr. Peterson:** Mr. Speaker, does the Treasurer not think his attitude as just expressed speaks very poorly about the budgetary process in this province—and, indeed, at the national level—when his political ego is on the line, when he can not admit he has made a mistake, especially since he has backed off in three instances already? We believe that if he understood all the effects of what he is doing he would back off in other areas. It is not going to cost him his political career. Other Treasurers have backed off.

Surely it should be part of our commitment to make the budgetary process more open, so that we understand fully how it affects people and thus avoid running into the kinds of problems experienced by the federal government with its budget. Even now the Treasurer is experiencing problems personally because of the many mistakes he has made in his budget.

Why do we in this House not show our commitment to a new budgetary process by working on the budget together this summer to do our best to make it more fair? Is that not a fair request?

**Hon. F. S. Miller:** Mr. Speaker, it sounds very reasonable. The fact is the job of the Leader of the Opposition is to tell us we are wrong all the time. It is not his job to co-operate with us in running the province. He has stuck very much to that principle. He holds us accountable—and so do the people—for the final policies of this province. We have very carefully assessed the needs of this country. I had easy—

**Mr. Bradley:** Let the people speak.  
Interjections.

**Hon. F. S. Miller:** Please be quiet.

I had very easy ways to take money-raising steps which would not have given the Leader of the Opposition as much chance to sound like a hero. I suggest they were not in the interests of the economy.

We took a much more politically difficult step, including the refund of a quarter billion dollars to Ontario's small businessmen, starting as soon as the opposition allows us to. I understand the Minister of Revenue (Mr. Ashe) is all ready to send the cheques, but they are being held up by the opposition party, through their obstructive—

**Ms. Copps:** You are collecting the tax already.

**Mr. Speaker:** Order. Ignore the interjection and answer the question, please.

**Hon. F. S. Miller:** We should let that member go to work for us in Hamilton. The more she is in that riding, the more chance we have of winning.

Interjections.

**Mr. Peterson:** Let me remind the Treasurer that some of the finest work done by this Legislature is through the committee process. Committees frequently assume a nonpartisan attitude. I would also remind him that he would have a majority on a committee and ultimately would be able to get his way.

Let me remind him, too, that a number of his back-benchers are as unhappy as we are about what has been done. Would it not be fair to ask the Treasurer to subject his budget to that sort of process? Ultimately he will still have control, but I and a lot of our members believe we could have a much better budget if he subjected himself to that kind of process. Why can he not give instructions to start that now?

2:50 p.m.

**Hon. F. S. Miller:** I then recommend to the Leader of the Opposition that he pass as expeditiously as possible Bill 111, the tax bills and interim supply—and trust the system.

**Mr. Foulds:** Mr. Speaker, could I get a clarification from the Treasurer? Did he say he cannot give the small businessmen a rebate because the legislation is not passed, and yet he can collect the sales tax even though that legislation is not passed? How does he explain that inconsistency?

**Hon. F. S. Miller:** Mr. Speaker, since it sounds inconsistent, I will find out.

**Mr. Roy:** Mr. Speaker—  
Interjections.

**Mr. Speaker:** Order.

**Mr. Roy:** Mr. Speaker, the minister believes in the democratic process and he talks about the introduction of certain steps. Can the minister advise us whether, in the process of collecting a tax for which he has passed no legislation, he has asked for a legal opinion from the Attorney General (Mr. McMurtry)—and I could see some reluctance in view of his record before the Supreme Court of Canada—or from the Provincial Secretary for Justice (Mr. Sterling) to determine whether his taxation, retroactive as it is, is constitutional in view of the new Charter of Rights in existence since April of this year?

Has he sought a legal opinion, and can he undertake to tell this House that if this law is challenged, and there is a strong chance that it

will be, he will not collect the tax while the bill is pending before the courts?

**Hon. F. S. Miller:** Mr. Speaker, it is funny he should ask. Yes.

#### APPLICATION OF TAX

**Mr. Foulds:** Mr. Speaker, I have a new question for seven per cent Miller. It is a shopping-bag question once again. Can the Treasurer tell me why this set of goods bought at a Dominion store, which includes milk, an apple, orange, yoghurt and a muffin, should be tax free while this set of goods, which is exactly parallel, milk, yoghurt, an orange—I think the oranges are the same size—an apple and a muffin, should be taxed because they were purchased from one of the truck vending machines on the streets of Metropolitan Toronto?

**Hon. F. S. Miller:** Mr. Speaker, I do not think those are the same articles just presented to me in my office by the Ontario Caterers Association because they did not have an orange or an apple, but they had most of those things and a couple of others besides.

The idea that one can go and purchase at normal retail any products that may also be sold through a commercial outlet and that they should therefore be treated exactly the same way is rather naïve.

**Mr. Wrye:** It certainly has been since May 14.

**Hon. F. S. Miller:** Just a second. The price of that apple, the price of that orange, the price of that milk, of the muffin and of the yoghurt are quite different in the store where the member goes to get it and in the convenience location where it is retailed as a food.

I want to go one step further. If the member goes to a normal restaurant—let us assume our downstairs restaurant—and orders a lunch that is \$6.50 à la carte and orders one pint of milk for 50 cents, he would have paid, until Sunday, June 13, 10 per cent tax on that milk. There is no change. If one purchases a commodity through a restaurant, through a vending location, it has been subject to the taxes applying to that type of location. That is still the same principle.

**Mr. Foulds:** I will not give the Treasurer the Coke or the Pepsi challenge because they are taxed wherever one buys them, but I would like to send to the Treasurer these two muffins, ask him to taste them and tell me why one should be taxable and the other not. I assure the Treasurer that they have not been buttered, tampered with or poisoned in any way.

**Hon. F. S. Miller:** Mr. Speaker, I got so carried away with the gift—by the way, does the member mind having the first bite?—that I did not hear his question.

**Mr. Speaker:** I should not wonder. Briefly, will the member state his question again.

**Mr. Martel:** I want to know which one was taxed.

**Mr. Speaker:** Ask your leader to ask the question.

**Mr. Martel:** He asked that; he was never answered.

**Mr. Foulds:** Is this my final supplementary, Mr. Speaker, or am I just repeating the other one?

**Mr. Speaker:** You are just repeating the former one.

**Mr. Foulds:** I want the Treasurer to taste them and tell me why one of those muffins should be taxed and not the other.

**Hon. F. S. Miller:** A person with my taste should not be given such a challenge.

**Mr. Peterson:** Mr. Speaker, speaking of contradictions in the Treasurer's budget—that is what we are talking about; how he is punishing one and giving to the other and it all nets out—I want to draw to his attention a letter from L. G. Bell Recycling in Welland. It is a small plant which recycles paper, metal and so on with a waste removal process. They are now saying his two-year tax holiday to small business will be totally offset by the expansion of retail sales tax applied to their particular process.

They are also saying they will lose business as a result of that, as a lot of other businesses are, because consumers will not pay the extra, making those businesses far less competitive. Any tax holiday they may have had under the Treasurer's tax forgiveness program will not be necessary anyway because they are not going to be making any money because of decreased volume. How does the Treasurer explain that contradiction?

**Hon. F. S. Miller:** Mr. Speaker, I would have to see the details of that company's tax problems. I think the member is just choosing two taxes that are unrelated and saying one contradicts the other. When I add a sales tax, an income tax, whatever I add, it generally applies to a great range of people in society. Whether it applies to municipalities on the one hand or companies on the other hand, we recognize that in mid-year one very often makes changes that were not predicted by that company at the



beginning of its fiscal period, be it a municipality or be it a private money-making company.

I would that there were some way to say on a given day of the year we will all present our fiscal plans and we can therefore start ours the morning after, but the world is not ordered that way. Companies have rotating fiscal year-ends. Municipalities have one and the province has another. So it is not so simple as to say some master planner can do everything so that no one has any disruption of his plans. I have disruption of my plans; they have disruption of their plans. The fact is that we get along reasonably well in this province.

**Mr. Breagh:** Mr. Speaker, the Treasurer is aware that around Ontario at this time of year there are a number of cultural events happening. In Windsor it is Carousel, in Oshawa it is Fiesta Week, in Toronto it is Caravan. I am trying to get some clear line as to who will collect and pay tax and who will not.

Will he tell us now how he justifies, in the case of large cultural organizations and celebrations like that, where it is now obvious his regulations will make some of those pavilions collect the retail sales tax and others will not? How is that fair or rational? Can he at least give us a consistent line as to whether they will be collecting his retail sales tax?

**3 p.m.**

**Hon. F. S. Miller:** Mr. Speaker, we have been dealing with that problem at length and trying to review the old regulations, which gave a \$50,000 limit, and the new regulations, which give a \$75,000 limit. I would be on somewhat thin ice if I said I knew whether Carousel, which I understand took place last weekend and will be on next weekend, was in a nontaxable state for both. My belief is that Carousel will be nontaxable this coming weekend. I will ask the minister for the definition.

In the case of Caravan, it is my understanding that none of the booths of Caravan will attract tax. I believe that has been cleared by the ministry at this point. The minister responsible is out of the House at present; he was here a few moments ago. He is in a better position to say whether they do or not, but it is my understanding they are clear. We have looked at the event, its purpose, the type of organization running it, the frequency with which it is run and whether it is in the commercial field. We accept the fact that the cultural activities of, say, the Caravan group are just that and should be tax-exempt. That is my understanding.

## McKELLAR GENERAL HOSPITAL

**Mr. Foulds:** Mr. Speaker, I would like, if I might, to return to the Minister of Health with a question about McKellar General Hospital.

Can the Minister of Health reconcile the statement he made in response to the question asked earlier by the member for Fort William (Mr. Hennessy) and the statement made so clearly and unequivocally by the Ontario Nurses' Association yesterday, that "evidence continues to mount that the nursing care in McKellar Hospital is not proper or even safe"?

After the documented reports in November 1980 about the situation in the intensive care unit, the nursing assessment committee report in May 1981, I believe it was, and the minister's own inspectors' report of December 1981, can the minister tell us why the nurses still felt that neither the ministry nor the hospital had responded specifically to the concerns they raised? Can he also tell us why he waited until today to respond in the House after they went public yesterday?

**Hon. Mr. Grossman:** Mr. Speaker, the honourable member will have to ask the nurses that question. He is asking me to explain why the nurses are still saying these kinds of things and how I reconcile the difference in views. The fact is that the nurses are taking one position. The president of the Thunder Bay medical society appears to give a vote of confidence to the hospital. The people who are responsible for the hospital are satisfied with the state of the hospital. And the ministry, through its area team, is relatively satisfied with the status of the hospital at present.

Some specific steps, which I have indicated, have been taken by the hospital since the initial report, which the member has indicated came to the attention of the public. Therefore, there have been a variety of responses in the Thunder Bay area now. Nothing I can do will ensure that the nurses, any more than the doctors in other situations, will find themselves in agreement with that situation.

If we had to line up the people involved, the member would have to note that the president of the medical society, the administration of the hospital, the board of the hospital and the ministry, all those groups as opposed to the nurses, seem to be satisfied that the hospital is in pretty good shape. We will continue to monitor that and make sure the concerns of the nurses are reviewed by us. We looked at the steps that

have been taken and are reasonably satisfied at present.

**Mr. Foulds:** Can the minister tell us what he means by certain bodies being satisfied that the hospital is relatively safe? Why, in his letter of April 8, 1982, did he make no specific mention of the things he is now mentioning, and why did he say he declined their request for a meeting? In their letter, they outlined quite specifically what their concerns were, and the minister failed to respond to those in any detail in his letter.

What is it that makes a professional group that has an enormous sense of responsibility and an enormous commitment to that hospital but that has had a burnout rate in the past year of one third of their staff, go public and say, "We are not getting an adequate response from either the minister or the hospital"? In fact, there is a bureaucratic shuffle and a pointing of the finger of responsibility between the board of governors and the Ministry of Health.

**Hon. Mr. Grossman:** First, if the Minister of Health were to meet with all the professional health groups that have some disagreement from time to time with regard to what is happening in various units in the 230 hospitals in Ontario, then quite literally the Minister of Health would have absolutely no time to do any other part of his job.

Obviously it requires a difficult judgement call on behalf of the minister and the ministry to decide which groups should see the minister because the status of their complaints and the status of the local problems appear to be such that they are irreconcilable outside of the minister's office.

It was our judgement in this case, having consulted with all the people whom we contact in the area, that it had not reached that stage. While we were at a point at which the hospital and Ontario Nurses' Association were having a disagreement or a difference of opinion, none the less there were certain steps taken, and they are fairly important steps, which left us satisfied the situation was not one that warranted ministerial intervention at that time.

There are 230 hospitals throughout this province that would like to see the percentage increase in nursing staff that McKellar has seen over the past year. Those are fairly substantial figures; I am sure the member acknowledges that those are fairly substantial figures. A lot of my colleagues and the member's colleagues have been in to see me asking for increases in ministry budgets to allow that sort of increase in

staffing complement and they have not succeeded; McKellar has.

Taking that kind of scenario together, I think our decision was right that at that particular time the situation remained one for the hospital to manage and that it was handling it relatively well. If that situation should deteriorate, or because of new facts we become convinced that ministerial intervention is warranted, we will consider it at that time.

**Mr. Foulds:** Is the minister aware of the verdict of a coroner's jury into the death of Miles Sanders, which occurred at McKellar General Hospital on March 15, 1981? The jury's report, which was published in May 1982, reiterated as its recommendations a number of the recommendations that had been made both by the ministry's inspector and by the nursing assistant committee. May I read the following recommendations to the minister and ask him why the jury felt in May 1982 that it could still make these recommendations, which presumably had not yet been implemented?

"1. Make it standard procedure to have two registered nurses on duty whenever there are infants in intensive care unit.

"2. Proper training program be established for all nurses, registered nursing assistants and doctors who use the overhead warmer in the use of and dangers involved with this unit; testing to be followed up.

"3. Limit use to one baby in the unit at one time."

In other words, a lot of the very important new technical equipment that is available in the various wards, including the intensive care unit, cannot be properly used simply because the nurses, who are registered nurses and competent, have not yet been trained in the specific use of that specialized equipment. If they had been, perhaps the death of Miles Sanders could have been avoided.

**Hon. Mr. Grossman:** One of the important functions of coroners' inquests is to arm the administration of hospitals, boards of hospitals and professional staff of the hospitals with the kind of advice the member is reading into the record today. I do not think the member would anticipate that the Ministry of Health should be the ones going in and trying to run 230 hospitals, including ones in Thunder Bay, from the Hepburn Block or Overlea Boulevard here in Toronto.

In point of fact, those recommendations are in the hands of the administration, the board and the staff of the hospital. We look to those



people to meet their responsibilities under the Public Hospitals Act to run their hospitals.

**3:10 p.m.**

If the member is perhaps expressing a vote of no confidence in the board of governors of the hospital or its administration, then he ought to make that quite clear. At present, my area team reports that it is satisfied, as is the chief of the medical association in the area, that the McKellar General Hospital remains a good and safe operation. However, in the light of the questions my colleague the member for Fort William (Mr. Hennessy) and the member opposite have raised, we will certainly have a further look at the situation.

**Mr. Speaker:** The time for oral questions has expired.

**Mr. Wrye:** I rise on a point of privilege, Mr. Speaker: Before the Treasurer escapes again, I want to seek some clarification to an answer he gave in question period, because it is very important to the people of Carousel—

**Mr. Speaker:** Order. I suggest that the honourable member speak to the Treasurer privately or wait until the next question period.

**Ms. Copps:** Mr. Speaker, earlier in this question period the Treasurer made some reference to the fact that I was perhaps a liability in the riding of Hamilton West. I wonder whether the Treasurer is aware of the fact that his candidate has said the Treasurer's budget is one of the biggest liabilities—

**Mr. Speaker:** Order. That is neither a point of order nor a point of privilege.

## PETITIONS

### TAX ON CLOTHING REPAIRS

**Mr. McClellan:** Mr. Speaker, I am pleased to submit the following petition signed by 252 citizens:

"We, the undersigned customers, support the protest of the June 14 expansion of the Ontario provincial sales tax that imposes this tax on charges for repairs and alterations to clothing by dry cleaners and launderers. We urge the Honourable Frank S. Miller, Treasurer of Ontario, to withdraw this application of his May 13, 1982, budget since it is unfair, inequitable, inflationary and an added hardship, especially on the elderly, the unemployed and the working poor."

### TAX ON MEALS

**Mr. Elston:** Mr. Speaker, I have a petition

addressed to His Honour the Lieutenant Governor in the Legislative Assembly and signed by 73 residents of Ontario. It reads:

"May 27, 1982, Port Elgin, Ontario.

"We, the undersigned, strongly protest against the clause in the new Ontario budget pertaining to the charging of seven per cent provincial tax on baking and meals provided by churches, and the United Church Women of the Port Elgin charge in particular.

"We feel that the raising of funds by means of baking and meals to help support this church, its work in the community, in Canada and overseas falls into the category of charitable donations and should continue to be so designated.

"We respectfully request that you reconsider your decision in this matter."

### UNIVERSAL MEDICAL CARE

**Ms. Copps:** Mr. Speaker, I have a petition from the people of the riding of Simcoe, the people of Orillia, containing 1,100 names, addressed to the Minister of Health (Mr. Grossman). Unfortunately, the petition is addressed to Allan Grossman, but I trust that was simply a slip. I will read it into the record:

"In support of the principle of universal medical care, we wish to submit to you a petition signed by 1,100 residents of Orillia and district.

"Circulation of the petition was prompted by the fact that during recent fee negotiations between the government of Ontario and the Ontario Medical Association, a group of 16 Orillia doctors announced publicly that they were withdrawing from the Ontario health insurance plan.

"This brings to 35 the number of Orillia physicians who have opted out of OHIP. There remain only about six opted-in doctors in this small city. As a result"—and this is something that the Minister of Health has requested in the past—"universal medical care regardless of income is no longer a reality for most Orillia residents."

**Hon. Miss Stephenson:** That's not true.

**Ms. Copps:** How would the minister know? She is not opted in.

**Mr. Speaker:** Order.

**Hon. Miss Stephenson:** How would the member know? She has never practised medicine or anything else—

**Mr. Speaker:** Order, please.

**Ms. Copps:** To continue: "We consider this to be a shocking and disgraceful state of affairs and would request that you and your government act soon before Orillia's predicament becomes the norm across the province. We look forward to your reply."

That is signed by 1,100 residents of a city that is represented by the Solicitor General (Mr. G. W. Taylor). I will pass this over to the Minister of Health.

**Hon. Miss Stephenson:** The Solicitor General does not represent Orillia.

**Hon. Mr. Grossman:** Mr. Speaker, on a point of privilege: We should draw to the attention of the House that this petition or a similar one was presented to me earlier this week by the excellent member for Simcoe East (Mr. McLean), who has drawn that situation to my attention. He delivered the same signatures, the same letter, to me several days ago.

**Mr. Nixon:** He didn't want anybody to know.

**Mr. Speaker:** Order.

**Mr. Martel:** Mr. Speaker, on a point of order: When are you going to call them to order? The minister had no point of order. That was a petition that was presented. He did not have the right to get up and make a statement. What are you doing with the rules? What is he getting up on? If he wants to answer, he has two weeks. You asked for a petition in the appropriate manner—

**Mr. Speaker:** Order.

**Mr. Martel:** If he wants to make a ministerial statement, he can do so.

**Mr. Speaker:** Order. I draw to all honourable members' attention that I seem to be criticized for not hearing points of privilege or points of order.

**Mr. Martel:** He didn't have a point of privilege.

**Mr. Speaker:** I cannot determine that until I have heard it. I suggest, with all respect—

**Ms. Copps:** I will correct the record—

**Mr. Speaker:** Order. I suggest that indeed the member for Sudbury East himself was out of order.

**Mr. Martel:** No. Mr. Speaker, on a point of order—

**Mr. Speaker:** Order. I am not going to debate it and neither are you.

**Ms. Copps:** To correct the record, Mr. Speaker: I extend my sincere apologies to George

Taylor. The member for Simcoe East is Allan McLean.

**Mr. Speaker:** Once again, I draw to all honourable members' attention that it is out of order for them to refer to any other honourable member by name.

## INTRODUCTION OF BILLS

### BRANTFORD-BRANT ANNEXATION AMENDMENT ACT

Hon. Mr. Bennett moved, seconded by Hon. Mr. Gregory, first reading of Bill 145, An Act to amend the Brantford-Brant Annexation Act.

Motion agreed to.

### CITY OF THUNDER BAY AMENDMENT ACT

Hon. Mr. Bennett moved, seconded by Hon. Mr. Gregory, first reading of Bill 146, An Act to amend the City of Thunder Bay Act.

Motion agreed to.

3:20 p.m.

### AGE OF RETIREMENT ACT

Mr. Kolyn moved, seconded by Mr. MacQuarrie, first reading of Bill 147, An Act respecting the Age of Mandatory Retirement.

Motion agreed to.

**Mr. Kolyn:** Mr. Speaker, the bill raises the age of mandatory retirement to 70 years but provides that an employee who is not able to perform his duties adequately may be required to retire after attaining the age of 65.

**Mr. Martel:** Oh, Nick Leluk the Second. Do you think that's going to get to cabinet?

**Mr. Laughren:** Are you flogging that?

**Mr. Martel:** Nick used that to get to cabinet. Maybe you'll vote against old age pensions as the Tories did originally.

**Mr. Speaker:** Is the member for Sudbury East quite through?

**Mr. Di Santo:** May I speak on the bill, Mr. Speaker?

**Mr. Speaker:** No.

### INSURED HEALTH SERVICES ACT

Mr. Philip moved, seconded by Mr. McClellan, first reading of Bill 148, An Act respecting Insured Services under the Ontario Health Insurance Plan.

Motion agreed to.

**Mr. Philip:** Mr. Speaker, I am pleased to see that, unlike the last time I introduced this bill,



the government has not voted against it on first reading.

This bill provides that prostheses may be prescribed as insured services.

### ANSWERS TO QUESTIONS ON NOTICE PAPER AND RESPONSE TO PETITION

**Hon. Mr. Gregory:** Mr. Speaker, before the orders of the day, I wish to table the answers to questions 147, 186, 187, 193, 196, 197, 199, 201, 202 and 210, and the interim answers to questions 183, 192 and 198 standing on the Notice Paper, and a response to the petition presented to the House as sessional paper 122 [see Hansard for Friday, June 18].

### MOTION TO SET ASIDE ORDINARY BUSINESS

Mr. Laughren moved, seconded by Mr. Martel, pursuant to standing order 34(a), that the ordinary business of the House be set aside to discuss a matter of urgent public importance, namely, the massive unemployment that will be created by the corporate irresponsibility of Inco and Falconbridge in the Sudbury area which not only will have a devastating effect on Sudbury families and local businesses but also will have a devastating impact on the economy of the entire province.

**Mr. Speaker:** I would like to advise all honourable members that the motion was received in time. I will be pleased to listen for up to five minutes as to why the honourable member thinks the business of the House should be set aside.

**Mr. Laughren:** Mr. Speaker, this debate is necessary. It is an emergency because of the devastating effects of the actions of both Falconbridge and Inco in the Sudbury area. Falconbridge has announced a major layoff of 25 per cent of its work force; that means about 1,000 jobs. Inco had already announced and implemented a job reduction of 850. That represents a total of 1,850 job losses in the Sudbury community in just one year. The spinoffs of that reduction will be serious.

I am pleased the Minister of Industry and Trade (Mr. Walker) is here today, because last Friday, June 11, when that minister was announcing a new Sanyo Machine Works plant in Elmira, he indicated, "My ministry estimates that each job in a new plant subcontracting in this manner supports 15 other people in the community." I question the minister's ratio of 15

to one. Nevertheless, those are his figures and his government must live with them.

The job loss in Sudbury represented by the Inco and Falconbridge job reduction of 1,850, even if we use a more traditional ratio of two to one, indicates a job loss of 5,500. That is very serious. If we were to use the minister's 15-to-one ratio, it would be a job loss of 29,600, which is a staggering number. I hasten to add that I do not subscribe to those numbers, but they are the ones the minister used.

As a province, we must begin to cope with the economic problems we are facing. It is not good enough to blame the federal government, which in turn blames the United States. We need to debate in this chamber how we should deal with the problems of layoffs, unemployment, shut-downs, one-industry towns and indeed the whole nonrenewable mineral resource sector. This situation is an emergency, and this government cannot continue to ad hoc its way from one emergency to another.

We have some specific suggestions to make if this debate continues this afternoon. We believe the nickel industry should be put under public trusteeship while we sort out the problems of collective bargaining and while we do an independent geological assessment to see what nickel resources we have in Sudbury and elsewhere in the province. The long-run goal is to bring that industry into the public sector.

We believe a committee of the Legislature should be established to look at a proper diversification of the Sudbury community and to establish a mechanism so that, if the layoffs are necessary, the workers are properly relocated.

I stress that this is simply the tip of the iceberg. The long-range plans of the mining companies in Sudbury are to reduce the work force to about half the present level. Both Inco and Falconbridge have been extremely well served by the community and the province, and we think their actions should be debated.

I remind the members that Inco has responded to all the largess we have given it by investing its profits elsewhere with a magnificent and ostentatious incompetence. The first four letters of incompetence spell Inco, and Inco spells bad medicine for the future of the Sudbury community. It is time the community debated that matter.

Falconbridge is no better. Despite the concessions it has been given on refining and pollution abatement, it has announced a major layoff in the middle of collective bargaining

with its own workers. Given those facts, I hope the members will agree that this is an appropriate debate that should take place this afternoon.

**Mr. Sweeney:** Mr. Speaker, I want to go on record as saying that our party supports the need to debate this afternoon the issue that has been raised by the member for Nickel Belt. I am sure the honourable member would not be surprised if I were to point out that we do not necessarily agree with all his party's solutions to this problem. However, there is no doubt whatsoever in the minds of the members of this party that we have a serious human and economic situation in the Sudbury basin.

I have had an opportunity to be in Sudbury on two occasions in the past couple of weeks and will be there again this weekend. I have talked to people who are unemployed, to business people and to many of the social agencies in the Sudbury basin area about the impact of unemployment there. Compared to many other parts of the province, it is in most serious difficulty.

One of the reasons my party and I stand in support of this is that we participated a few years ago in an all-party committee of this Legislature looking into the Inco layoffs at that time. There are a number of members in this House who participated in those investigations.

At that time we drew to the attention of this government, and of the Sudbury community and of the companies of both Inco and Falconbridge, that some fundamental changes had to be made. Here we are, several years later, facing almost the same problem.

**3:30 p.m.**

I hope to have the opportunity to refer back to some of the recommendations that were made a few years ago by that subcommittee, to show that the same situation still exists and that the government has not taken the kinds of action we believe it should take. The impact of unemployment on any community in this province is serious. The impact of unemployment in Sudbury is doubly serious because, as has been pointed out by so many members of this House, under other circumstances and other issues, it can be called in many ways a one-industry town.

In my last few visits to Sudbury, I was very delighted to notice there is an attempt in that community to begin its diversification program, but that is not going to happen quickly enough to offset the very negative impact of the layoffs of Inco and Falconbridge. Therefore, we, as members of this Legislature, responsible not just to the constituents in our own ridings but to

constituents and Ontarians all across this province, have to be concerned about those kinds of impacts. For these reasons, we support the need to debate this measure this afternoon and we will most certainly participate in that debate.

**Hon. Mr. Gregory:** Mr. Speaker, I have discussed this motion with the Minister of Labour (Mr. Ramsay) and it is his opinion and, of course, mine that the lives of the citizens of Sudbury cannot be ignored in this emergency. While we do not necessarily agree with the wording or the substance of the motion, we are in agreement with the intent. If, Mr. Speaker, in your wisdom, you decide that the matter warrants an emergency debate, we will certainly abide by your ruling.

I have already discussed this with the two House leaders, and I would ask that consideration be given to the arrangements for the Lieutenant Governor to be here for royal assent in this chamber. He has flown in from some distance away to be here. So I would ask the House if we can have unanimous agreement to deal with the third readings and the second and third readings on some private bills.

Agreed to.

## ORDERS OF THE DAY

### CITY OF LONDON ACT

Mr. Van Horne moved second reading of Bill Pr1, An Act respecting the City of London.

Motion agreed to.

Third reading also agreed to on motion.

### UNIVERSITY OF WESTERN ONTARIO ACT

Mr. Van Horne moved second reading of Bill Pr14, An Act respecting the University of Western Ontario.

Motion agreed to.

Third reading also agreed to on motion.

### JAPANESE CANADIAN CULTURAL CENTRE OF TORONTO ACT

Mr. Runciman, on behalf of Mr. Cousens, moved second reading of Bill Pr18, An Act respecting the Japanese Canadian Cultural Centre of Toronto.

Motion agreed to.

Third reading also agreed to on motion.

### CITY OF HAMILTON ACT

Mr. R. F. Johnston, on behalf of Mr. Charlton,



moved second reading of Bill Pr22, An Act respecting the City of Hamilton.

Motion agreed to.

Third reading also agreed to on motion.

#### CITY OF OTTAWA ACT

Mr. Roy moved second reading of Bill Pr24, An Act respecting the City of Ottawa.

Motion agreed to.

Third reading also agreed to on motion.

#### TOWNSHIP OF MOONBEAM ACT

Mr. Piché moved second reading of Bill Pr32, An Act to continue the Corporation of the township of Fauquier under the name of the Corporation of the township of Moonbeam.

Motion agreed to.

Third reading also agreed to on motion.

#### THIRD READINGS

The following bills were given third reading on motion:

Bill 1, An Act to revise the Reciprocal Enforcement of Maintenance Orders Act;

Bill 2, An Act to amend the Surrogate Courts Act;

Bill 3, An Act to amend the Charities Accounting Act;

Bill 4, An Act to repeal the Mortmain and Charitable Uses Act;

Bill 27, An Act to amend the Motorized Snow Vehicles Act.

**Hon. Mr. Gregory:** Mr. Speaker, we will not be moving ahead with the sixth order at this point.

#### MOTION TO SUSPEND ORDINARY BUSINESS (continued)

**Mr. Speaker:** Pursuant to standing order 34, I have listened to the honourable members of the three parties with a great deal of interest and quite obviously the three parties are in accord that the emergency debate is in order. I find it in order, pursuant to standing order 34. I do rule in favour of the motion.

Therefore, the question before the House is: Shall the debate proceed?

Motion agreed to.

3:40 p.m.

#### EMPLOYMENT IN SUDBURY

**Mr. Speaker:** Just before the member for

Nickel Belt starts, I would like to point out that he has up to 10 minutes.

**Mr. Laughren:** Mr. Speaker, I rise for the second time in three years to engage in an emergency debate on the problems of the Sudbury community, which should say something to the government members here.

I view the emergency debate as swirling about the problems of Sudbury as a community. That community has provided services in the form of sewer and water, health services, education services and social services, all at public expense. That has been of enormous assistance to Falconbridge Nickel Mines, in view of the fact they have been able to have a very stable work force, a work force living in a community where those amenities were available. Consequently, the community has a real stake in what is going on given the Inco and Falconbridge actions within the last couple of months.

Commitments have always been made in the Sudbury community based on the assumption that we were a community and the components in that community had common goals. Obviously, that has been a mistake because the goals of some of the leading components in the community, namely the private sector, have seldom coincided with the goals of the people in that community or the goals of the municipal leaders in the regional municipality of Sudbury.

Over the years, both Inco and Falconbridge have had profitable operations in the Sudbury community. Both Inco and Falconbridge have taken their profits elsewhere, particularly Inco, which has invested in Guatemala. They have now closed that operation completely. They are in Indonesia where they are operating at one-third capacity. They had a disastrous investment in ESB, the battery company in the United States. They are now attempting to divest themselves of that corporation.

When arguing for this debate, I said that the Inco management has been incompetent and I said that the first four letters of the word "incompetent" spell Inco. The incompetence of Inco is being paid for by the community of Sudbury. It is not the ore body in Sudbury, it is not the work force in Sudbury, it is not even the management in Sudbury that has led to the problems we are facing. It is the senior management based in Toronto, previously in New York, that has caused what have become community problems.

Falconbridge is part of a huge empire, including McIntyre Mines and Superior Oil of Hous-

ton, Texas. They have no refinery in Sudbury despite having been there for almost 50 years.

The public sector has been very good to Inco and Falconbridge. We have given them pollution abatement postponements. We have given them exemptions to the processing requirements under section 113 of the Mining Act. We allow Falconbridge—and Inco for that matter, but primarily Falconbridge—to ship its ores to Norway and to write off those processing costs against the profits they would normally pay in Ontario. Tell me how that makes any sense.

The provincial government has responded to the needs to diversify the economy in the Sudbury area with its resources machinery development centre. That is going to be located in 10,000 square feet, probably in a building next to the science centre, a tourist attraction. It is not going to be what we had dreamed it would be, namely a major centre for the production and distribution of mining machinery, not just for northern Ontario but for Canada, and for export markets as well.

The public sector is moving, as is the private sector, in very faltering steps to diversify the Sudbury community. It is time that we put an end to that. We, in Sudbury, are not doormats for the private sector. The workers are no longer pack-sack miners, as the former member for Sudbury, Mr. Germa, said in the debate three or four years ago. The community leaders are simply not pawns to provide services for the work force and for Inco and Falconbridge. We are an important community in this province. We work hard. We pay plenty of taxes. Quite frankly, we deserve much better than we have been getting from the private sector and from this government.

The problem has never ever been in Sudbury. The profit figures of Inco's earnings over the last 10 years were: \$112 million in 1972; \$225 million in 1973; \$296,700,000 in 1974; \$179 million in 1975; \$178 million in 1976; \$87 million in 1977; \$61 million in 1978; \$135 million in 1979; \$249 million in 1980; and \$20 million in 1981. That is profit on their operations, not on their sale of assets or the writing down of assets which were bad investments.

Whenever the companies get into trouble they want us to look at their problem in a time frame of one year. I look at that 10-year period and I see \$1,547,900,000 in net earnings by Inco alone. Now they tell us they have financial problems this year and have to take these drastic actions. We are saying to members of the government, that is not good enough; that is not

the way one builds a community and makes it a decent place in which to live.

The last time we had these debates was in a select committee which made recommendations to the government. I think the government ignored every one of those recommendations. My colleague the member for Sudbury East (Mr. Martel) will have more to say about that later.

We are not dealing with a community that is way up in the Arctic Circle. We are dealing with what is truly the resource capital of Ontario, if not Canada. It is known around the world for its riches. Yet, here we are going on this resource development roller-coaster ride once again.

The ramifications of what is going on will be felt elsewhere in Ontario as well. This Legislature can do a number of things. It can establish a legislative committee. The committee could put the nickel industry under what I would call provincial trusteeship while it looks after the problems of the bargaining and makes a geological assessment of the minerals in the Sudbury area.

Our view, of course, has always been that the nonrenewable resources belong to the public sector. For the \$650 million that the government spent on Suncor and for which it got no control, we could buy Inco. As a matter of fact, majority control of Inco would cost \$470 million.

I suggest that a legislative committee could do those things. It could look into the diversification problem, speed up the diversification process and look into the whole impact on the community of these announced layoffs; and if nothing can be done about the layoffs, then at least it could arrange that aid be given to the municipality and to the workers in this transition period of reduced work force.

It is the consensus around Sudbury, and as a matter of fact, a federal regional economist said it recently, that the work force in Sudbury is going to be down to around 7,000 before the end of the decade. When I moved to Sudbury in 1969, the work force in the mining industry was pushing 25,000. That is a massive reduction which has been brought about by technological changes. Workers have been pushed aside while machines, purchased elsewhere, do the work of the miners. If those machines were produced here we could applaud the reduction in the work force, because producing the machinery to do the work they used to do would probably be a better kind of work for the workers. But that is not what has happened.

We know that the nickel market is depressed.



We know that at least 90 per cent of the nickel is exported and we know the importance of the auto sector to nickel sales. We also know that not all the economic problems of Canada are the fault of this government or of Inco and Falconbridge, but we do know there are things that can be done by this government.

We believe the first step is to establish a committee of this Legislature to look into those problems and take some action before the impact of those layoffs is felt in the Sudbury community.

**Mr. Sweeney:** Mr. Speaker, I recall a comment made by a member of the New Democratic Party when we were debating this subject in 1978. If I remember correctly, it had to do with the sense of *déjà vu*. I cannot remember who said it, but it was one of the Sudbury members. Now, here we are again four years later.

I believe it was January 1978 when we formed an all-party committee of this Legislature and held hearings in this building and in Sudbury.

**3:50 p.m.**

I can remember the Sudbury hearings vividly because one of the worst snowstorms Ontario had had in a number of years occurred during that time. I remember that after spending about three days there we finally had to get some trucks from Ontario Hydro to get us out of our motel and down to the railway station where we picked up the transcontinental. That experience remains firm in my mind.

I suspect many of the things we are going to discuss this afternoon will be repeats of what we did four years ago. That is the part which makes it so sad in one sense and so frustrating in another. I agree with the member for Nickel Belt that this Legislature simply has to do something for the nickel industry in the Sudbury basin in particular. However, I must admit I am less enthusiastic than he, and perhaps some of his colleagues, to constitute another select committee or whatever kind of committee of this Legislature he would recommend, in the hope that three or four years down the road we would not be in the same boat. I do not have much confidence it would make much difference.

Let me refer to a point in that select committee report. It indicated a report that was filed with the cabinet of this province from the mineral research branch of the Ontario Ministry of Natural Resources in February 1977. That report was filed with cabinet about one year

prior to the setting up of the all-party committee. I want to read one little section. The title of the report was *The Ontario Metal Mining Industry, Present and Future*.

It says: "The Ontario nickel industry is the world's largest nickel production complex and Ontario's largest mineral producer. It is suffering from a massive accumulation of inventory of finished metal as a result of the recent recession and of lower than anticipated rates of growth and consumption in major markets." This is the key sentence, "Unless the markets improve rapidly in the near future, it is difficult to see how cuts in Sudbury mine output can be avoided."

Those last three or four words were italicized in this report. The document was released to the public by the Ontario cabinet but apparently little or no weight was attached to this forecast by anyone. That was February 1977.

In February 1978, only a year later, we were holding hearings in this Legislature and in Sudbury. We came up with a series of recommendations and I will touch on some of them briefly in a few minutes.

Quite frankly, nothing really has changed all that much. We were told clearly during that period of time that Inco, for example, had invested something like \$1 billion in the Sudbury basin during the 1960s and 1970s and that was a clear indication it intended to stay there, mine the ore there, smelt the ore there and keep on generating jobs. I have no doubt that was its intent.

There are other figures for Falconbridge. We were told, for example, Falconbridge had spent \$62 million upgrading the Lockerby mine. We were told Falconbridge had spent something like \$85 million cleaning up its smelter environmental problems. Once again, the Falconbridge officials indicated to us this was clear evidence they intended to stay, that this was the centre of their operations and that we should have nothing to worry about.

Here we are, four years later in 1982, once again seeing rather massive layoffs of people in the Sudbury basin. I mentioned earlier that in the last couple of weeks I had been to Sudbury on two occasions to speak to people who were unemployed in that community and to talk to them about the devastation taking place because of that unemployment. Primarily, our task force was concerned with young people who were unemployed, young people between the ages of 16 and 24 who have not even been able to get a

start in their economic lives and on being able to stand on their own two feet.

It became quickly apparent the unemployment problem had spread to all age groups in the Sudbury area and it was not just those who work for Falconbridge, or who work directly for Inco. It was throughout the entire community; all the small machine shops, some of the smaller retail outlets in that area and all the various service industries that depend so much on Inco and Falconbridge.

It was clearly pointed out to us, and it is something we have to recognize, that the people and community of Sudbury have begun to make a valiant effort to diversify. The federal government, for example, has set up a rather impressive tax office there, which I understand is going to employ somewhere between 1,000 and 3,000 people. Sure, that is going to help and other industries like that are going to help, but we have to keep in mind that the major employers in that area today are Inco and Falconbridge and the various related industries, and they will continue to be so for quite a number of years.

When we talked about this issue four years ago, we made the observation at that time, just as the 1977 report had made, that the governments of Ontario and Canada were going to have to move into that community and begin to set up different kinds of training programs for the people who were then laid off and who were not likely to be going back into those industries. It was clear at that time that the dominance in the world markets of the nickel producers in the Sudbury basin was no longer there.

If I remember correctly the figures quoted to us, Inco alone had had control of something like 60 or 70 per cent of the entire world market for nickel, but at that time that was down to about 30 or 35 per cent. We were told of the operations all over the world in Australia, Indonesia, Guatemala and South Africa, some operated by Inco and Falconbridge and some operated by those countries themselves. In other words, we have a much more competitive world with respect to the production and marketing of nickel.

Therefore, we made it clear that Sudbury could not continue over the long haul to depend for its employment, both direct and indirect, on those two companies, and some changes had to be made, there had to be some input by both the federal and provincial governments into retraining. That is one of the points we clearly made. To the best of my knowledge, little has been done with that.

The second point we clearly made was that the two levels of government were going to have to assist in the marketing of nickel throughout the world, that we were going to have to sit down with these companies and look at the Japanese market, for example, because a contract had been lost in that area back in the 1977-78 era. We had to look at what could be done in those areas. We had to look at how we were going to compete with South Africa and Australia. All those things had to be taken into consideration. Once again, to the best of my understanding, none of those things has been seriously looked at.

We were also asked at that time to re-examine the relationship of Falconbridge to its operation in Norway. We had some experts come before us. It was drawn to our attention—I think pretty clearly—that there was no good reason why there could not be some sort of co-operative effort arranged between Falconbridge and Inco for Falconbridge to transport its hot matte over to Inco and have it processed there.

When it first came to our attention, one of the things said was: "Oh well, they have different processes. They use different temperatures." But the experts who came before us made it clear that with some minor changes that could be done and we would not have to continue to send that hot matte over to Norway. To the best of my knowledge, nothing has been done in the investigation of that matter either.

Whether it would have been feasible, I honestly do not know. I do not pretend to be an expert in this technological area. But we did have experts come before us to show that something could be done, and that those two companies would have to sit down and in some cases co-ordinate their efforts. This was one case that seemed to me to make a lot of sense.

All I am trying to suggest is there were a number of recommendations that made a lot of sense. They have not been acted on and we are right back to square one.

**Hon. Mr. Ramsay:** Mr. Speaker, I want to say as clearly as possible at the outset that I regard the existing and anticipated unemployment in the Sudbury area as a matter of grave concern. I welcome this debate today as a most worthwhile exercise.

The Sudbury basin is world renowned for its rich natural and human resources. It has in a real sense been the focus of economic activity of northern Ontario over the years.

4 p.m.



There is no doubt that current prospects for the nickel market and, indeed, for copper and precious metals produced in the Sudbury basin are grim. I had the opportunity last Friday to be present during a three-hour information exchange involving senior officials of Inco and the United Steelworkers in relation to the current contract dispute at Sudbury and Port Colborne. During that session the company placed before the meeting facts that I think had a sobering effect on everyone present.

I will not repeat the details other than to say that we are clearly talking about a worldwide phenomenon reflecting a recession of major proportions in the western world. Various figures were reviewed for the period 1979 through the first quarter of 1982. On the basis of all of the usual economic indicators—prices, deliveries, costs, expenses, demand and capacity utilization—the outlook is bleak.

Comparisons were made with other jurisdictions and, so far as I can determine, the situation in northern Ontario is no different in any material aspect from that in other ore-producing and refining jurisdictions. I saw no indication that these difficulties were self-induced by the enterprise affected. It was conceded by all around the table that the ore bodies in the Sudbury basin are of a high quality. It was also conceded that there is a work force second to none in skill and ability.

These positive facts make the current situation even more regrettable. We have the ore, we have the human resources, we have the technical knowhow, we have the managerial skills, we have the capacity for redevelopment and improvement; and yet, to put it bluntly, the market is in a tailspin.

These companies, Inco and Falconbridge, have been around for a long time. They have a proven capacity to make their way in the world markets; they have, to my knowledge, no suicidal instincts. Yet they and their employees are the victims of economic forces beyond their control.

Therefore, I want everyone in this House to know that I am as worried and anxious about the prospects of our northern mining communities as anyone in this House. I happen to represent a riding that is in close physical proximity to Sudbury and has many of the same characteristics with regard to its dependence on a major industry.

**Mr. Laughren:** That's no excuse.

**Hon. Mr. Ramsay:** I know the devastating effect that unemployment can have, and within

my powers I intend to continue to do everything possible to minimize its effect.

**Mr. Laughren:** It's all the more shameful, as a matter of fact.

**Hon. Mr. Ramsay:** However, I think no one should be—

**Mr. Laughren:** Boy! Crocodile tears.

**Hon. Mr. Ramsay:** Mr. Speaker, I sat quietly, and I always sit quietly when the member opposite is speaking.

**Mr. Laughren:** Well, they are. You never do anything about it. You stand up, you say you are concerned and you do nothing.

**The Deputy Speaker:** Order. The minister has the floor.

**Mr. Laughren:** They are crocodile tears.

**The Deputy Speaker:** Let him continue.

**Mr. Laughren:** I am sure the Speaker would agree with me in a different setting.

**Hon. Mr. Ramsay:** We are going through difficult times, and it would be overly optimistic, on the basis of any material I have seen or conversations I have had, to say that there is light at the end of the tunnel in the short or medium term.

With regard to price alone, the nickel selling price for the first quarter of this year was lower than at any time since the beginning of 1980. Early indications are that the second quarter will be even worse, and some analysts are saying the copper price may be the lowest in many years. I am told copper is being sold at a price below production cost.

The member for Nickel Belt (Mr. Laughren)—and I want to say that he made an excellent presentation earlier today, and I listened with interest and respect—refers to corporate irresponsibility; and I heard him in the House the other day when he suggested that this corporate irresponsibility, in his view, is manifested when collective agreements come up for negotiation. He argues, or at least implies, that there is more than coincidence in the fact that these companies are faced with maximum economic pressure in the year their collective agreements expire.

The member is a product of the Sudbury basin and he knows the mining industry much better than I do. I ask him in all fairness whether he is in possession of facts that support the assertion that the pressures now facing these industries are artificial or artificially induced. Although I am sure he has seen it, I am quite prepared to share with him the recent analysis

of Walwyn Stodgell Cochrane Murray, which shows that the plight of the industry is indeed genuine.

Let me deal with the Inco situation. I am naturally depressed when I see masses of employees out of work as a result of a labour dispute at a time when so many workers across the province are involuntarily out of work as a result of the reduction in business activity brought about by recession. That is why I have become personally involved in an effort to see what can be done to bring about an end to this labour dispute. I do not wish to prejudice any efforts now under way or contemplated by talking about the particular matters in dispute, however, I think it is germane to this debate to say I honestly believe that, against a dismal economic background, honest efforts are being made to resolve the dispute; I personally have seen no sign of corporate irresponsibility.

That is not to say we are on the brink of a breakthrough, far from it, but I do not think it assists the delicate process of mediation to accuse either side of irresponsibility unless there is very clear and unequivocal evidence to support that charge. I ask my friend, if he has such evidence, to bring it forward. He should not inflame an already difficult situation by making unsubstantiated, generalized accusations. It makes my task and that of my officials all the more difficult. If he honestly believes there has been a failure to bargain in good faith on the part of either company, he knows as well as I do there is a very adequate procedure in this province for having that matter adjudicated. The Ontario Labour Relations Board has been alert, as I think he will agree, to identify bad-faith bargaining situations and to provide effective remedies for these situations.

Before I leave the Inco situation, I will simply refer briefly to the way in which that company handled the layoff situation earlier this year. My friend is aware of that program, and I do not think it would be fair to characterize it as the program of an employer who is insensitive to his employees or otherwise irresponsible. Without going into all the details, the fact of the matter is that by virtue of an attractive early retirement offer, the offering of transfer rights and the implementation of special employment programs, financed in part by funds under section 38 of the Employment Insurance Act and funds authorized by the Board of Industrial Leadership and Development committee of cabinet, an anticipated layoff of 850 was reduced to under 200. I have the latest figure here. Of the original 850

Inco workers to be laid off, as of May 11, the number is now 156.

**Mr. Laughren:** It is still a loss of jobs.

**Hon. Mr. Ramsay:** I agree.

As I said the other day in the Legislature, I share the distress of all members about the Falconbridge announcement. The extension of the period of layoff to 13 weeks will mean all employees of the company will be without jobs this summer, although some will qualify for their vacation pay. I very much hope the notice of indefinite layoff to be given to 1,000 Falconbridge employees in September turns out to be overly pessimistic and that at least some of these employees will be recalled as market conditions improve. We must, however, make our plans in accordance with the company's projections.

I have already had discussions with my officials, including Bob Joyce, my special adviser in matters of this sort, and will be making every effort to offer, in collaboration with the federal government, whatever employee adjustment programs can be made available. The Inco experience shows that by collaborative endeavours one can cushion the impact of large layoffs. As I have said, my officials and I intend to extend every effort to minimize the effect of the Falconbridge layoff; which in size, incidentally, is roughly equivalent to the numbers contained in the Inco layoff announcement last winter. As members know, Falconbridge, like Inco, has an early retirement plan and it is hoped that a substantial number of employees will take advantage of this opportunity.

In difficult times such as these, we can expend our efforts more productively by collaboration—labour and management, federal, provincial and municipal governments, members of this Legislature and all interested citizens—in devising practical solutions to carry us over these difficult times. I do not wish to use this occasion to engage in fed-bashing or to argue, as one is tempted to do, that with more enlightened economic policies from Ottawa we might have avoided some of these difficult problems. I happen to believe that to be true, but I do not engage in this debate in that spirit.

The theme with which I would like to close is simply this: in the months ahead we must do everything within our power to assist the casualties of this regrettable downturn in our economic fortunes and to advance programs and policies that will assist our mining industry to become, once again, the envy of the free world. I believe we have that capability and the future



will again belong to the Sudbury basin. However, it will take patience and fortitude and a co-operative spirit to reach that goal.

**4:10 p.m.**

**Mr. R. F. Johnston:** Mr. Speaker, after the last speech, I seem to have lost track of just what this motion is. I thought I would read it, if I might. It was moved by the member for Nickel Belt and seconded by the member for Sudbury East (Mr. Martel) that our ordinary business be set aside because of the urgent need to discuss the massive unemployment which will be created by the corporate irresponsibility of Inco and Falconbridge in the Sudbury area which will have a devastating effect not only on Sudbury families and local businesses but on the economy of the entire province.

That is what we are debating and there was general accord from the three parties that it is worthy of debate. The corporate irresponsibility of Inco and Falconbridge has brought about this calamitous situation in Sudbury. There seemed to be tacit agreement about that in the House, but then all of a sudden we get the Minister of Labour (Mr. Ramsay) jumping up and becoming the corporate apologist again, saying there is no bargaining in bad faith going on at the moment, and that section, which is the key section of this resolution, is not applicable and these are good corporate citizens who have been corporately responsible over the last 10 years.

What the minister did not address was that if these are corporately responsible citizens of Sudbury and Canada, how is it after they made \$1.5 billion in profits, as the member for Nickel Belt showed, when times get tough in one year they take it out on the workers and on the community? As the member said, this is not the first time this has occurred. He has been up in the House before during an emergency debate talking about the situation in the Sudbury basin.

We talked earlier about the early retirement plans that were brought in when Inco had the initial layoffs. I would remind members of the incredible public pressure put on Inco to respond in a generous fashion. I would also note that in his speech he showed that the major costs for picking that up are not coming out of Inco's coffers at all, they are out of public coffers. He listed the areas where the expense is being picked up and it is primarily the public purse that is paying for that. It is not the great corporate citizen of Inco that is doing it.

I would just juxtapose the early retirement solution for the Falconbridge workers with the

bill the member for Lakeshore (Mr. Kolyn) introduced today, which suggested we should arbitrarily raise the retirement age to 70. These two things do not seem to fit very closely together. On the one hand, we are looking for early retirement solutions to assist the unemployment difficulties that a place like Sudbury is going to face and on the other hand we have the member for Lakeshore suggesting we should raise the retirement age to 70. That is a wonderful juxtaposition.

**Mr. Kolyn:** We are all getting older, Richard.

**Mr. R. F. Johnston:** If the member wants to argue on a logical basis for getting rid of the retirement age, that is one thing, but changing it to 70 is a totally arbitrary and stupid thing to suggest to this House.

The situation I want to discuss is what specified in the motion you have just raised in your hand, Mr. Speaker, the matter of the layoffs and the impact of them on this community of Sudbury. If we take the two-to-one ratio for the impact of layoffs, as the member for Nickel Belt has said, that is 5,500 workers and their families who are affected. The Minister of Industry and Trade (Mr. Walker) comes up with the most phenomenal statistics from time to time. An expansion of nine—

**Mr. Mackenzie:** To support his position.

**Mr. R. F. Johnston:** His statistics say a major expansion of nine employees in Elmira will create 15 extra jobs each. If one took that and extrapolated it, that would mean 29,000 families in Sudbury are going to be affected by the layoffs.

I want to speak to the effect of layoffs on families in the Sudbury basin and why it is crucial that we do not just debate this in the House today, because this kind of problem is going to reoccur, but that we do strike a select committee again and look towards a diversification of the economy of the Sudbury basin. If we do not, this is going to be a continuing drama that occurs here every couple of years. It is not going to be resolved, as the member for Kitchener-Wilmot (Mr. Sweeney) has said. I believe we really have to look for solutions.

There have not been many studies done on the impact of major layoffs on families. In the Sudbury area, there are a couple of reports that were done on families affected by the strike during 1978-79 and a follow-up was done by Mr. Henry Radecki. That situation is slightly different from the combination of layoff and strike which we are facing at the moment.

The study of SKF—the company that left my riding—is now in the early stages of following up on the impact of layoffs on families; and there is also Windsor's experience, the mayor's task force there is looking at the impact on families. We really do not understand how devastating it is to families to have major layoffs in their community and to have their economy totally disrupted, as is the case in the Sudbury basin. While we do not know the extent of the severity, we do know it is severe. There are many indicators.

The Radecki study on the 1978-79 problems in Sudbury showed that 35 per cent of the people living in that community were worried about never getting a job there again—and no doubt the people recently laid off by Falconbridge and Inco feel the same way—and considered pulling up their roots and moving from the area. That decision was made by a very large percentage of the laid-off employees.

However, they found they could not leave for a variety of reasons, not the least of which is where does a miner go today to find work? The reality is that if the rich ore body of Sudbury is not functioning, they are not going to find other jobs in northern Ontario or even in other parts of the country. So the situation is very severe.

Only now are we gaining some idea about the whole question of stress on families. The studies in 1978-79 of the families and their reaction to what they were experiencing during the troubles in those years showed there was a 70 per cent increase in stress symptoms.

I am more familiar with the study on the SKF situation in my riding. Those who were laid off from SKF may have more options, perhaps not for equivalent jobs but at least for other jobs within the Metropolitan Toronto area. Nevertheless, the study indicates that 41 per cent of them responded in a questionnaire that they considered the stress they were suffering from the layoff to be the equivalent of the stress they would experience if a loved one, a spouse or a child in the family, died, which is severe stress indeed. About 23 per cent of them said they had lost their desire to live because they had no hope for the future. Of course, these are workers in their late forties and fifties, which could be a factor. None the less, the stress on those families is enormous. We are only just learning how hard it is on families.

Sudbury is hit in a cyclical way with this kind of stress and pressure on families and on the community as a whole. The effects include such things as alcoholism, poor mental health and

marriage breakup; and probably vandalism as result of unemployment among young people. I am not saying that off the top of my head. The mayor's committee on services for the unemployed in Windsor discovered that is exactly what happened there as the downturn hit its nadir in that area. That is on page 8 of their report.

**Mr. Mackenzie:** That is a fancy word.

**Mr. R. F. Johnston:** One fancy word every speech is not bad.

**The Acting Speaker (Mr. Cousens):** One minute.

**Mr. R. F. Johnston:** The reports talk about mental health and family problems in the community. Agency representatives say there is an increase in family related problems such as poor mental health and alcoholism being brought to the social service agencies, and we found the same thing in Sault Ste. Marie yesterday when we talked to the social services people.

In Sault Ste. Marie they are just starting to feel the impact of the recession but they are already seeing a major change in the kind of people who are coming to them, people who have never been on welfare before and are ashamed to be obliged to apply for it. They are beginning to suffer all sorts of family pressures. Last month they had the largest number of people on welfare in that city's history. The impact on the family is now being felt.

The city then has increased costs—increased welfare costs, additional kinds of auxiliary social services costs—and it is going to have less revenue because of less income in the community to deal with those things. It strikes me—

**The Acting Speaker:** The member has exhausted the time allotted to him.

**4:20 p.m.**

**Mr. R. F. Johnston:** If I can just finish—

**The Acting Speaker:** I thank the honourable member. It depends on how long that sentence is.

**Mr. R. F. Johnston:** It is a very short sentence. We need to strike a committee, we need to look at solutions for major one-industry towns like Sudbury and to start looking at those solutions because we cannot have families punished like this on a continuing basis in northern Ontario.

**Mr. Haggerty:** Mr. Speaker, I want to address myself to the resolution. I may find some difficulty with the wording of it but it concerns "the massive unemployment which will be created by the corporate irresponsibility of Inco



and Falconbridge in the Sudbury area" and due to the layoff and the strike at Inco operations in Sudbury and Port Colborne. I, like the member for Nickel Belt, know of some of the difficulties that many of the communities and employees of Inco have faced over the years.

Inco has not had the best of labour relations with its employees and maybe that is where much of the difficulty lies. Perhaps there should be some changes in the Labour Relations Act or in the bargaining process to improve that.

I suggested to the minister the other day in a supplementary question that maybe he should be moving to having a 60-day cooling-off period that would allow unions and management time to reassess their positions and look for new directions for a settlement.

I say honestly to the minister that if he had taken my suggestion a week or so ago perhaps he would never have had the strike in Port Colborne and maybe not in the Sudbury basin. I think many of the employees in this particular area did not clearly understand what they were voting for. I have been informed there was a large vote in favour of turning down the agreement, but not necessarily a strike vote. I suggest that when there is a strike vote taken in any labour dispute or impasse that may occur, it should be the responsibility of this minister to carry out the balloting of that vote to make sure that everyone understands the issues involved.

I suggest that to the minister because Canada has not a good record in employment as it relates to strikes and man-days lost. We are suffering in this area now through the man-days lost and the nonproductivity that occurs during a strike period. In some cases, particularly in the nickel industry during the last couple of years, it has been a benefit to the industry itself because they have been able to lower the huge inventory.

I was a member of that select committee back in 1977 and 1978 when we reviewed the mass layoffs in Port Colborne and the Sudbury basin. At that time there were about 1,800 or 2,000 in the Sudbury area and about 300 at the refinery in Port Colborne. It is the only refinery in Canada. In Port Colborne, there was a program applied with regard to retirement for those who met the criterion of 35 years' service plus age. It was an exceptionally good package and it encouraged a number of them to take early retirement. Some of them were happy and some of them received a \$27,000 or \$35,000 payment followed by their long-term pension. I think if the same program had been applied in the

Sudbury area in 1977 we would not have had the repercussions that took place at that time.

I think Inco has led in this particular area; although we can be critical of them, they have led in this area. Inco had one of the best pension plans in Canada. I am not here to defend them but I think we have to give credit where credit is due and they tried to give their employees a better package deal in the last layoff. Inco set the precedent and I understand Falconbridge is moving to follow that good bargaining process.

I suggest in that particular area much of the fault lies with this government, as my colleague from Kitchener-Wilmot suggested. The study report in 1977 from the Ministry of Natural Resources—and I think it is worth while repeating because it is a good message for the Minister of Natural Resources (Mr. Pope) to understand clearly—a paper entitled *The Ontario Metal Mining Industry*, warned:

"Unless the markets improve rapidly in the near future it is difficult to see how cuts in the Sudbury mine output can be avoided. Despite this warning the government did nothing to prepare for the disastrous events which have hit the Sudbury area." That report was right on.

I think again of the huge inventory that is now sitting in Inco's stockpile in Ajax and other places. Inco is out on strike now, but with the huge inventory this will be money in the company's pockets. There should be a profit this year for Inco, even though they are in financial difficulty, like many other industries here in Canada and Ontario that got caught in the huge expansion program back in the 1960s and 1970s through poor forecasting and, like Hydro, overexpanded.

Regardless, they went into Indonesia, they went into Guatemala and so on. That is a thing of the past. I think we should be looking to the future. We can be critical of them; I think they criticized them in that report for having gone into that particular area, and I suggest this has caused them some financial difficulties.

Falconbridge is not operating now in the Dominican Republic; it closed that operation. Inco is hard hit. They are even laying off heavily in England and in all their operations throughout the world. They are in financial difficulty. They are selling some of their assets to pay their liabilities. They are covering up so they can salvage the industry, and it is a tough period for them.

I am really concerned that the government must be more involved in the mining sector to keep tabs on the industry; to ascertain what they

are doing and where the profit is going. Are they putting it back into mining operations here in Canada or offshore? I am sure the minister is well aware of the boom that has taken place in the past 10 or 15 years. Some of the huge profits from mining industries here in Ontario have been taken out of Canada and have gone into oil and gas exploration in the southern United States. I think they have an obligation to look after long-term employment here in Ontario and in Canada. It is a responsibility and an obligation of the industry and of government to guarantee that there is going to be long-term employment in Ontario.

Government, management and employees are going to have to take a harder look at what they can do in a co-operative effort to sit down and make this program work through a tripartite group of people in the industry, labour and so on to come up with a sound program for continued long-term employment in Ontario.

The boom days are over, and all of us in this House have to give that consideration. We are not going to see the peaks or the valleys any more. It is a levelling-off period, a transition period now, and it is going to be most difficult. We are facing it now. Experts in the area are predicting it will take six or seven years before this works through the system, and it is going to be a trying time for industry, for employees and for employment in Ontario.

Sometimes I look upon the unemployment insurance program as an evil.

**Mr. Wildman:** An evil?

**Mr. Haggerty:** An evil, that's right. It gives industry the right to lay off employees without any obligation at all. They are saying: "I have no moral responsibility. We will let unemployment insurance look after you." I know very well that years ago in Port Colborne Inco would never lay anybody off—many industries would not—because they felt they had a community obligation to continue employment.

**Mr. Wildman:** Even in the 1930s?

**Mr. Haggerty:** Not in the 1930s, either, that was back in your heyday, I guess.

4:30 p.m.

**The Acting Speaker:** One minute.

**Mr. Haggerty:** I think the minister and the government are going to have to take a good look and come forward with new policies and programs to encourage management and labour to work together for long-term employment.

It is a difficult period, and we should have another committee appointed to review it. We

have had one on foreign investment, foreign companies and foreign control. That is another problem we are running into. As soon as we shake foreign control in Canada and set our own guidelines for employment and the economic climate, perhaps we will do a lot better.

If the members can recall, back in the 1900s we complained about British money in Canada. Now we are complaining about the Americans. This government is going over now to Japan, asking them to come and invest here. The government is going around in a circle.

**Mr. Wildman:** Mr. Speaker, it is with a feeling of déjà vu that I rise to speak in this debate. A few years ago—

**The Acting Speaker:** Will the member for Algoma allow me to correct my oversight and recognize the fact that we were going around this way? I did not even look to the right.

**Mr. Wildman:** We do not often look to the right either.

**The Acting Speaker:** I accept that, however, the Minister of Natural Resources is next.

**Hon. Mr. Pope:** Mr. Speaker, it is my pleasure to participate in the debate. My friend the member for Erie (Mr. Haggerty) expressed some concern about investment by the resource sector offshore. Since he was quite concerned about it, he probably would be happy with a recent update contained in Northern Ontario Business for April 1982 with respect to the capital reinvestment going on in the resource sector in northern Ontario, because it totalled between \$5 billion and \$6 billion in the private sector. Some of the projects have had the support of the federal and provincial governments; some are direct expenditures of the companies themselves.

One can through the whole list: Abitibi-Price, \$107 million; Algoma Central Railway, \$77 million; Algoma Steel, \$300 million; American Can, \$53.5 million; Bell Canada, \$82.8 million; Boise Cascade, \$290 million; CP Rail, \$45 million; the Canadian government, through the Canadian Forces base in North Bay, \$80 million; Denison Mines Ltd., \$300 million; Detour Lake, \$143 million; Dome Mines, \$91.7 million; Domtar Inc., \$48 million; E. B. Eddy Forest Products Ltd., \$200 million; Eldorado Nuclear Ltd., \$150 million; Falconbridge, \$60 million; Noranda's Geco mine, \$1.35 million; Great Lakes Forest Products Ltd., \$430 million; Great Lakes Power Corp., \$105 million; Inco, \$70 million to \$80 million; Kidd Creek Mines, \$10 million; Kimberley-Clark of Canada Ltd., \$10 million; Mattabi



Mines, \$42.9 million; Long Lac Minerals, \$25 million; MacMillan Bloedel, \$3 million; Northern and Central Gas, \$32 million; Northern Telephone, \$8.5 million; Spruce Falls Power and Paper Co. Ltd., \$100 million; Pamour Porcupine Mines, \$14.7 million; Rio Algom Mines, \$300 million; and on and on.

The projects that are going on are reinvestments by these resource companies in northern Ontario. This is an indication that there is some feeling the resource sector in northern Ontario provides a good avenue for private sector investment and a good, fertile sector of the economy in which the government and the private sector can participate together. I just wanted to correct the misapprehension of the member for Erie.

As I said in Sudbury when I was there approximately six weeks ago, and it was stated by Dr. Anders of our ministry at the 84th annual general meeting of the Canadian Institute of Mining and Metallurgy when we were discussing the structure, interpretation and implications of Ontario's mineral market forecasting model, the situation with respect to nickel is not hopeful in the long term; and by the long term I mean five to six years. This was based on simulator models that have now been recognized as being among the most accurate in the world with respect to metal prices.

The Ministry of Natural Resources report that was quoted in 1977 was used in the legislative committee on layoffs in the Sudbury basin in 1978, a committee I was part of. It indicated there were some long-term problems with respect to the nickel market.

I would like to quote from the update that was given by Dr. Anders of our ministry in Quebec city in late April:

"In nickel we would expect for the first half of the coming decade consumption growth rates in the 0.5 per cent to 1.5 per cent per year range at best. This may, in the second half of the decade, increase to slightly better, two to three per cent in real terms, but only if solid noninflationary growth is resumed over most of the industrialized western world. This implies the need for a total level of reduction in worldwide installed capacity from current levels in the range of 20 to 30 per cent, and possibly more, if allowances had to be made for capacity additions.

"Differently put, worldwide nickel consumption growth rates would have to be plus five per cent per year, compounded from the 1982 base, to bring total consumption up against nominal 1980 capacity limits by the year 1990. To reach

that limit by the year 2000, a compound growth rate of 2.5 per cent would be required. Such rates over the next one or two decades respectively are considered unlikely. Overall, we all look forward by 1990 to a total world level of nickel consumption in the 700,000 to 780,000 metric ton range and prices in 1981 US terms in a \$2.50 to \$3 per pound range."

Again, there is no long-term relief in sight with respect to the nickel markets. This is what the Ministry of Natural Resources pricing people have been saying consistently since 1977 and is indicative of the long-term problems of that industry.

The problems exist not only in the Sudbury basin but throughout the world as well. It is for that reason that I always had trouble accepting the fact that we should be involved in the acquisition of inventory or in paying for the costs of that inventory accumulation, not only with respect to whether we would ever be able to market it but also, even if we did market it, as to whether at the time that decision was made that this would not in itself have a dramatic impact on the employment picture in the nickel industry.

It is true, though, that calls have been made consistently for the government to get involved in the acquisition of nickel inventory as some sort of support for the price of nickel. Indeed, the gold communities of northern Ontario have made a similar request to the federal government with respect to a floor price for gold. Unless one is going to get into a long-term accumulation of this inventory and use it for some other purposes, I do not see how it can help the employment picture in these communities.

We have been in contact with the federal government. We have been trying to come up with some ideas, as we did with respect to the Inco layoffs, in close co-operation with my friend the Minister of Labour, to try to address some of the immediate problems of the workers of the Sudbury basin. We hope in the longer term to provide some alternative opportunities. We have been trying generally in northern Ontario, using a great variety of government programs, to diversify the local economic base of the smaller communities as well as of the larger communities.

That is the reason for some of the decisions, such as the privatization of some of the nursery programs and expansion of the Ontario mineral exploration program, the custom gold mill program, the Ontario geological survey program

and a number of other Board of Industrial Leadership and Development initiatives that we hope are starting to have the effect of leading to economic diversification in different parts of the province.

By the way, it is accepted in different parts of Ontario that these initiatives have that effect. The member can talk to the people of Beardmore about that. They feel that way. We believe we must continue with these efforts. We must accelerate them, and we are working with the federal government. We are giving some positive alternatives as opposed to saying nothing, which is what the Liberal Party suggested, and as opposed to engaging in a rhetorical debate as to who is to blame.

We have been trying to propose some positive ideas to the federal government. We have been proposing to amend some of the existing provincial government programs to provide some stimulus to exploration and development in the mineral sector to lead to some additional resource growth in the area.

**4:40 p.m.**

We believe that by using these tools at our disposal, with the assistance of the Ministry of Labour and the federal government under section 38 and under some other employment programs, we can try to address the needs of—

**Mr. Laughren:** The public sector again. The public sector will pick up the pieces. You always want the public sector to pick up the pieces.

**Hon. Mr. Pope:** I understand the honourable member's position on the public sector. The leader of the New Democratic Party said quite clearly, and Maclean's magazine reported it, at the last leadership convention: "We want to nationalize the resource sector. But we will not touch the manufacturing sector, because we are worried about job security for the manufacturing workers." That is exactly what he said, because he does not care about job security for the resource sector workers.

**Mr. Wildman:** Mr. Speaker, I yielded the floor last time. I am sorry I did, after listening to that last speech.

As I said when I began to speak earlier, I have a sense of déjà vu on having now to participate in this debate requesting a committee to study the situation in the Sudbury basin as it relates to the nickel companies' moves that have had an effect on the whole economy of that area.

I participated in the committee that studied the Inco layoffs in this Legislature in the past, as did the present Minister of Natural Resources,

and we heard many of the same arguments at that time that we are hearing today.

I must say I am a little bit alarmed by the comments made by my colleague the member for Sault Ste. Marie (Mr. Ramsay), who seems to be basically giving an apology for the companies in Sudbury, Inco and Falconbridge.

He stated that there was no evidence the situation at Inco or at Falconbridge was self-induced. He said that those companies were victims of economic forces beyond their control. He also said that this was just a matter of market downturn and that there was nothing the companies could be faulted for because they were simply responding to the economic contingencies they faced.

In my view, we are facing a serious problem, and will continue to face a serious problem, because there has been no commitment by either of those companies to the Sudbury basin or to northern Ontario in general over the long term.

Certainly, Inco has considerable investments in the Sudbury basin and is not likely to walk away from them. In the past we have had comments from members of this government that we could not push Inco or Falconbridge to carry out their responsibilities to the people of the area and to the communities in that area, because we were always open to the blackmail that the company might leave and there would be no jobs.

Many times we have heard from the present Minister of Northern Affairs (Mr. Bernier) that if we were to press the companies to live up to their responsibilities there would be no jobs, and that we are only talking gloom and doom.

Every time we have raised questions about problems in one-industry towns across northern Ontario, members on the government side have accused us of gloom and doom. It is really something to hear the Minister of Northern Affairs going around northern Ontario with his Pollyanna approach, saying everything is wonderful: "There is nothing wrong in northern Ontario. It is just that the Socialists are always raising the gloom and never talking about the real spirit of northern Ontario."

He talks about the spirit of the north. In our view, we are talking about realities. Throughout history the realities of northern Ontario have been that the private sector exploits the resources until they are used up and then moves on, leaving ghost towns and people without any hope of a continuing existence in communities that have developed during the exploitation of



those resources. We have seen that repeated over and over again. In my view, the companies are anything but blameless for the situation we face in the Sudbury basin today.

We talk in this debate about the serious debt that Inco faces. The decisions made early in the 1970s by Inco with regard to investments are probably the main reason for the financial situation the company finds itself in today. Inco invested in new developments in Indonesia and Guatemala. It also invested a significant amount of money in a battery plant in Pennsylvania, which produced no jobs there much less any jobs in Ontario.

The company used the profits it had made in Ontario to reinvest elsewhere, and those investments were poorly conceived, to say the least. We now see the situation where that company's operations are closed up in Guatemala and Indonesia, and the company now is trying to sell off its battery plant at a loss.

In my view, we should remember that the company has never lost money in its Ontario operations. Even in economic downturns, even in market fluctuations, it has not lost money here. The incompetence of Inco is shown in its inability to use the funds it has made in this province to reinvest in such a way that there is an ongoing hope of development of a long-term future for the community of Sudbury.

We have seen Falconbridge refusing year after year to carry out most of the processing of its product in this country. It has had exemptions extended again and again by this government so that it can continue to process the matte elsewhere.

I do not believe either of these companies has shown any more commitment to northern Ontario than the old pack-sack mining operations we have had in northern Ontario over the years. In my view, we do not have that kind of commitment from this government either. This government has given Falconbridge ongoing exemptions from its requirements to process here.

Also, the last time we had this situation in Sudbury we had an announcement by the Premier (Mr. Davis) that he was setting up a cabinet committee to study the future of one-industry towns in northern Ontario. He appointed the Treasurer (Mr. F. S. Miller), who was then Minister of Natural Resources, to chair that committee. We never heard anything, and neither did the ministers on the committee, about that committee after that announcement.

My colleague the member for Sudbury East got up in this House on a number of occasions

and asked the Premier and Treasurer, "What is happening about this cabinet committee on one-industry towns?" At one point the Treasurer did not even know he had been appointed chairman and had to ask the Minister of Natural Resources and the Minister of Northern Affairs whether, indeed, he was on the committee.

That is an example of the lack of commitment by this government in analysing the problems of one-industry towns in Ontario and dealing with real diversifications of the economy so that we have ongoing jobs and do not just continue to be mining camps.

Recently I was at a meeting in Timmins. The Minister of Natural Resources will be interested in this. We met with a number of miners in that community. There was one older fellow who was in retirement and had been a miner all his life. He could not bring himself to refer to Timmins as a city. He kept calling it a mining camp. That is how cities and towns in northern Ontario have been treated by the companies and by this government over the years: as camps. The companies come in, dig the holes, bring out the ore, and when the ore is gone so is everybody else; it is just a camp.

Frankly, no matter how big the community, whether it is a small town or whether it is a large city like Sudbury, it is still a mining camp. Without Inco and Falconbridge, without nickel mining in Sudbury, that community has no reason to exist. The suggestion that has been made by my friends to my right, that having the federal government set up some kind of office buildings is going to deal with the problem, is ridiculous.

**4:50 p.m.**

We have to have a commitment from this government to ensure that the private sector lives up to its responsibilities. If the private sector is going to take profits out of northern Ontario, it must reinvest those profits in such a way that we have an ongoing future for our communities and for young people in northern Ontario.

We cannot allow a government to continue to ignore the fact that the wealth of this province is built on the wealth of northern Ontario. It is about time the north started to benefit from that wealth rather than allowing the companies to operate as they wish, lay off workers and forget about the human needs of the communities of the north.

If ever there really was a need for a committee to study layoffs and the future of the economy of northern Ontario, it is now; and if

there ever was a need for a commitment on the part of this government for a committee to study the future of one-industry towns such as Sudbury and the specific situation in Sudbury, it is now. For that reason I urge all members of this House to support the resolution brought before it by my colleague the member for Nickel Belt.

**Mr. Wrye:** Mr. Speaker, I want to join in this very unhappy debate, unhappy because the subject matter is one that must please no member of this assembly from any party. I want to make it clear at the outset that while we all have different approaches and different solutions, I am sure none of us in this House is pleased to see what is happening to Sudbury.

Although I am not from the north, I am one of those who is probably as sensitive as any to the problems of the Sudbury basin, because they are the problems of one-industry towns. The previous speaker spoke a little bit about the problems of one-industry towns in the north. I certainly agree that they have some very special problems, but I say to him that there are a lot of similarities between the Sudbury situation and that being experienced by one-industry towns in the south.

I want to start out by repeating some of the things the Minister of Labour said at the close of his remarks. I also want to remind the minister of something that happened almost four and a half years ago, and which he should have had in mind when he said:

"The theme with which I would like to close is simply this: In the months ahead we must do everything within our power to assist the casualties of this regrettable downturn"—the downturn in the Sudbury area—"in our economic fortunes and to advance programs and policies which will assist our mining industry to become once again the envy of the free world.

"I believe we have that capability and that the future will again belong to the Sudbury basin. However, it will take patience and fortitude and a co-operative spirit to reach that goal."

Some four and a half years ago, in November 1977, the terms of reference of a select committee were struck. I believe that while the present minister was not a member of the select committee, some of the present ministers were, including the Minister of Natural Resources. The select committee's terms of reference were:

"That a select committee of this House be appointed to inquire of senior officials of Inco Ltd. and its employees or their representatives, into the factors and considerations leading to

the decision to announce layoffs at the Sudbury and Port Colborne Inco operations;

"And, further, to examine the future plans of the company in relationship to the effect on the Canadian operations."

Those terms of reference were later expanded to include Falconbridge. But some four and a half years later we are hit with a second layoff, and yet the government is no more prepared to deal with the situation in which we find ourselves today than it was some four and a half years ago, despite the work of an 18-man select committee, which toured the area, talked to officials on all sides and came up with a series of recommendations, which I will not get into in any detail because my friend the member for London North (Mr. Van Horne) intends to discuss them during his speech. But it seems to me we have in a sense buried our heads for far too long about the problem of one-industry towns.

The member for Algoma (Mr. Wildman) made some criticism of the comments by my friend the member for Kitchener-Wilmot that we can no longer ignore the fact that we are simply not going to have the employment base in those two companies that we once had; that the days were gone by when Inco and Falconbridge had a vast majority of the nickel market, and those days will never return. I fear, much as we would wish it, that we are simply never going to have the totality of jobs in that one industry which we had in the past.

I am reminded about the same problem we face in the automobile industry where, while we all hope the market will come back, and sooner rather than later, we will not have the total number of jobs we had in the past. It seems to me it is about time we started to admit that, however reluctantly, and got on with the job of getting new industries and a new employment base for the Sudbury area.

My friend the member for Algoma dismisses the new federal tax office, dismisses very quickly out of hand—I do not have the exact number of jobs; it is anywhere between 1,000 and 3,000.

**Mr. Martel:** It is 750.

**Mr. Wrye:** My friend the member for Sudbury East says it is 750.

**Mr. Martel:** The public sector.

**Mr. Laughren:** The public sector picking up the pieces again.

**Mr. Wrye:** But it is an improvement over the nine jobs the minister announced. I agree with my friends the members for Nickel Belt and



Sudbury East that it should not be only the public sector. Where the public sector needs to play a role and where this government has played no role is in beginning to lead—and not just Inco and Falconbridge so they can diversify their operations and add to employment.

For example, my friend the member for Kitchener-Wilmot has suggested that if the two companies were to work together there could be significant new employment in the smelting area, rather than farming out that work and those jobs, as I understand it, to Norway. That is an area in which the government should be giving those companies direction and, since it has offered assistance to the companies in the past, indicating it expects something for the generosity of the taxpayers. That is, after all, who is really giving them the assistance.

It seems to me more than that is required. It is time we began to look at the problem of one-industry towns and the solution to those problems. The solution lies in diversification of the private sector. In addition, there are public sector jobs that can be placed in those towns; there are significant jobs in activities which the public sector is decentralizing and which could be placed in those communities. I have made this argument in favour of my own community, and I would make it in favour of Sudbury and other one-industry towns, such as Oshawa and Brantford. It is not a total answer but it is a beginning.

It is about time this government and all members of the Legislature began to address the problem of diversification. If we need to strike another select committee, then we should do so. But I would not want to see us strike a select committee, nor would I want to serve on it, if the recommendations of this new committee were to be ignored by the government as were those of the last committee.

**Mr. Laughren:** By both levels of government.

**Mr. Martel:** By both levels.

**Mr. Wrye:** My friends to the left suggest that both levels of government have ignored it. I am not sure they have. I am here in the Ontario Legislature, and let me confine my remarks to the provincial scene. I am sure my friend the member for Sudbury East could talk to one of his party members from the north in the federal House, but there are not any.

One of the things this government should have done, and has not done, is to take some short-term action. We have had a large number of layoffs. There is the one just announced at

Falconbridge and the one that occurred at Inco, and now we have a labour dispute under way at Inco. I do not wish to get into that at this point, because the labour dispute is ongoing and I do not wish in any way to prejudice what we all hope will be an early end to that.

**5 p.m.**

Given the problems we had in that area, one would have thought that the government would have targeted the Sudbury basin for its summer job creation program, especially since it was clear that Inco and Falconbridge would not be hiring. But what has the government done? It has reduced funding for the summer Experience '82. It has reduced the amount of money it is spending. At the very time it should have been adding employment, it has reduced employment even further and added to the crisis which now afflicts that community.

In closing I want to say that I have toured the area and will be visiting Laurentian University. I have very great concern about the problems that all the young people of the north, particularly those in the Sudbury basin, are going to face this fall. Many of them may not be able to attend university because of what must be considered negligence on the part of this government in not providing the jobs which are needed in the area this summer.

**Mr. Brandt:** Mr. Speaker, I appreciate the opportunity to participate in this debate although, along with other members, I do not particularly appreciate the subject matter we have to deal with in a resolution as serious and as critical as the one we have before us.

**Mr. Martel:** Why not? It is the real world.

**Mr. Brandt:** I realize it is the real world. I wish the resolution were not necessary. That is why I am saying I would prefer that we did not have to deal with this problem at this time. I am sure the member would share those sentiments with me.

I am concerned about some of the comments that have been made and hope that some of the speakers who follow me may be able to answer some of my questions and enlighten me on the situation. I do not live in the Sudbury area, nor am I informed on the details of the Falconbridge and Inco operations. I am quite prepared to admit that.

As an example of the questions I have, members from the north have referred to the profitability of the companies over the past decade and have used the figure of \$1.5 billion. I do not know if that is a net profit and if it is before taxes. I think we should also ask whether

any of those profits have been reinvested in capital improvements over the years, or whether it is money that has been distributed to the shareholders. I raise those as questions for clarification.

As the member for Windsor-Sandwich pointed out, the situation in Sudbury is particularly desperate because we are dealing with a one-industry town. I would suggest to the members from the north, who make a point of talking about the uniqueness of one-industry towns in the northern part of our province, that the situation is not unique to their particular communities. I could cite an example in my own riding, Sarnia is a one-industry town, to all intents and purposes. Although the petrochemical industry has been relatively strong over the years, it is based fundamentally on a relatively narrow segment of the market.

The problems of distance, climate and limited population, coupled with the difficulty of diversifying the industries, make the situation in the north more difficult than it is in Sarnia or in the county of Lambton. But I assure members that similar difficulties and problems face ridings such as mine. For years my area has invested considerable amounts of money to promote diversification of the industrial base by means of advertising and by contacts with other companies.

We happen to be in an area that is relatively attractive because of its proximity to population, its climate and the relatively short distance to other markets. But we too have had a problem not dissimilar to the one being faced by some of the northern members. To suggest through some rhetoric or good wishes on someone's part that there will be an expansion of the industry in the north simply because we wish it to be so, is unrealistic. It will not happen that easily.

When I look at the relative investment of various levels of government in the activities of the north, I do not think this government, represented by members on this side of the House, needs to take a back seat or to be embarrassed in any way, shape or form by what it has done relative to its investment in the north.

Look, Mr. Speaker, at the millions of dollars in the Board of Industrial Leadership and Development program and at government buildings, specifically in the Sudbury area, which help to alleviate the problem.

**Mr. Martel:** Bullroar. There are 19 jobs and there is not even a scientist in the building.

**Mr. Brandt:** I am quite prepared to admit that everything the government has done to this point is not going to offset the number of jobs that will be lost by the recent announcements, but it will go a long way towards alleviating at least some of the difficulties and the burden on the Sudbury area.

I listened to the Liberal member who spoke about the need for co-operation between industry and labour in that area. There is a real need for that kind of co-operation to start taking place.

**Mr. Laughren:** What we need is some action from the government.

**Mr. Brandt:** I suggest we will not get action by continuous and unrelenting corporate bashing such as some members have been doing. That is not the way to get action up there.

Let me ask this question: If a corporation were looking for a place to locate, would it want to be subjected to the kind of criticism coming from that side of the House on a daily basis? Would it go into that area?

**Mr. Foulds:** No, they'll go to Elmira.

**Mr. Brandt:** No. They would go where industry is welcome, where people know how to work and co-operate and get along with industry. That is what they are going to do.

**Mr. Martel:** I'll go to Elmira with the other eight employees.

**Mr. Brandt:** That is where industry locates, whether the member for Sudbury East likes it or not.

**Mr. Wildman:** That's why they've got nine jobs in Elmira.

**Mr. Martel:** You did it single-handedly.

**Mr. Brandt:** That is why I have \$1 billion worth of industry under construction right now in Sarnia, thank you, and I will have another \$1 billion before too long. The members opposite need not tell me about how to attract industry; I know all about it. One does not do it with continuous corporate bashing. That is not the way to bring industry into an area.

I am not attempting to be provocative, but apparently I am because I am telling the truth. Perhaps that is something members do not want to hear.

I have to agree with one of the Liberal speakers; he talked about the need for a co-operative atmosphere between industry and labour. The only way we are going to solve the very real problems of the north is to get away from this adversary system, this constant harangue



about how bad corporations are, and sit down and try to work with them.

I fully appreciate that there are no easy or pat solutions and no quick fixes for the problems faced by the north generally or by the Sudbury area specifically. The only way to solve the problem is through people of reason, who know how to talk to industry and labour leaders, coming to a compromise and a consensus as to what has to be done to get the area back on the move again.

**Mr. Martel:** Mr. Speaker, I raised this matter in the House yesterday and I am delighted to take part in this debate.

If I could get the attention of the Minister of Labour (Mr. Ramsay), I want to tell him that I think what Falconbridge is doing is perverse. Let me put it in its proper context.

Six or seven weeks ago, Falconbridge said there would be a 10-week shutdown. Several weeks later, Falconbridge then said, "We have to close down Onaping mine but we are going to offer an early retirement plan and we are going to relocate everyone." Last week it got 157 people to take it and there is the headline. It says, "Layoff Avoided at Falco," because 157 people took the early retirement.

**5:10 p.m.**

I want to ask the Minister of Labour what happened from last Monday to last Thursday, a period of four days. What changed so dramatically in the world that on Monday the company said "No layoffs," and on Friday it said, "We will extend by a further three weeks, and seven months down the road we are going to have 1,000 people laid off."

Those members who sat on the last select committee will recall that Falconbridge could not forecast its way out of a wet paper bag, and admitted it when it came to markets. Yet in four days, the whole of the economic situation changed such that Falconbridge could predict seven months down the road it was going to have to lay off 1,000 workers. That is a lot of bull. It saw Inco could not get a contract through which offered very little.

I suggest to the Minister of Labour that Falconbridge's game at this time is to get a no-offer on the table and see if it can get away with it. I defy him to check Falconbridge's record on forecasting what the markets were going to be; he will find it is a disaster. Yet it is predicting that seven months from now it knows it is going to lay off 1,000 workers.

It is bad faith bargaining from the word go

and I suggest to the minister he cannot let them get away with it, contrary to what his parliamentary assistant says.

Let me deal with Inco only for a moment because I do not want to deal with the strike situation. Inco misread the situation rather badly. After 8½ months Inco said to itself, "We can offer a nothing contract." It would not even come up to Algoma and would not even come up to Stelco in the pension scheme. It would not even roll in the cost of living allowance; and they wonder why they got a nothing contract.

I was talking to a bus driver today who, in this strike situation, came down with some kids and was driving a bus. He works at Inco. He said: "If they had not tried to rub our noses in it so bad, but they thought they had us where we would have accepted anything. The insult was too great."

Three years ago Inco said to itself, after 8½ months, "Those beggars will accept anything." I say to the minister all it had to do was offer a one-year contract, one I suspect with hardly a wage increase, and it would have got away with it. It thought it would rub their noses in it and that community did not matter to either one of those companies.

That is why I say to my friend the member for Sarnia he should not be up blunderbussing. He does not know the work records of those two companies and their attitudes to those communities and the people in those communities.

I hope my friend the member for Sudbury (Mr. Gordon) gets up and supports my bill next week because, before he came down here as a Progressive Conservative, he used to move with me to take over part of the control of Inco. I hope he is still with me as we buy it out.

I want to turn to a couple of things that bother me. I remind the Minister of Labour there are now five people in the cabinet who were on this select committee. They are now in cabinet and what have they done with all the recommendations? Nothing. There are a number of things the Minister of Labour could do.

First, he could get the rope testing program at Laurentian University where it belongs because most of the mining, two thirds of it, is done in the Sudbury basin. God only knows where that is going. It has been moving out of Toronto for a long time. Second, he should announce immediately the occupational health program that has been long in the works and that my friend Gordon has at last supported.

**The Deputy Speaker:** The member for Sudbury.

**Mr. Martel:** Pardon me; the member for Sudbury. He did not previously but he is now with us. We are delighted to have him with us. He never attended a meeting for three years. I am glad he is with us now. He writes all kinds of nice articles on how he is supporting that.

It is too bad the minister of mines did not stay around. I have been pursuing with him the gold problem because we have a mill north of my town that has closed down. It is slowly being torn apart while a company wants to mill gold in the Sudbury region: 50 jobs a year for the next two or three years. He has done nothing; I hope he will do those things, I say to my friend the minister.

Before I turn to the last select committee, let me just quote what the Sudbury and District Chamber of Commerce said a number of years ago. I hear all the platitudes about what the government has done. A couple of years ago the chamber of commerce put out a report called *A Profile in Failure*. It is in response to a government document.

Interjection.

**Mr. Martel:** Not my friends, yours.

"NORS"—the northeastern Ontario regional strategy—"is devoid of any strategy of development: physical, economic or social. It represents the pinnacle of intellectual bankruptcy of the southern establishment in even analysing the problems of the north, let alone dealing with them effectively. The only way to deal with NORS is to let it terminate as an expensive receptacle of dust until it glides gracefully or otherwise into oblivion."

And that is the 10 or 15 plans with respect to northeastern Ontario that this Tory government has introduced. We have got nothing.

Before I turn to the last select committee I say to the Minister of Labour, if I can get his attention again, that he and I sat on a select committee just a year ago. One of the major recommendations in the 1978 select committee report was:

"The government of Ontario and the government of Canada each should jointly create a team of government personnel who could readily delve into, weigh and recommend rational programs for the alleviation of large industrial layoffs where the situation so requires, and also that we should find out the financial data as to the costs of shutdowns and layoffs."

In fact, I think the Minister of Labour, to his credit, when he was on the select committee on plant shutdowns just a year ago—I think he was with us; I will not say we were moving him to

it—agreed that we should know the social costs of those types of massive layoffs. I suspect they would far outweigh the cost of keeping any company going. The cost to communities, the cost to the province and the cost to the federal government far outweigh, in many instances, the cost of not allowing those companies to shut the door and walk away.

Interjection.

**Mr. Martel:** I suggest to the minister that he cannot speak from that place. If he wants to come down here and speak, I will let him.

I say that the costs of closures far outweigh the costs of keeping companies going, and we should at least look at that.

With respect to the other matters before the select committee last time, we recommended mining equipment. I hope the Minister of Labour has enough power in cabinet that when it comes time to finance mining equipment, if the federal government is not prepared to put its \$2 billion in, this government will go it alone.

My friend the member for Nipissing (Mr. Harris) is a bit worried, but there was a trade deficit in mining equipment of \$167 million in Ontario alone last year, and we should be able, by import replacement, not to affect the one in North Bay. In fact, with good common-sense planning we could have the one in North Bay and the one in Sudbury and we would still be short on import replacement if we used our noodles.

But you see, Mr. Speaker, we never get involved in economic planning. We live from one crisis to another as we stumble along, bumbling our way through, because Tories seem to think economic planning means government interference.

It is time to work with industry, not to give them the store as the Tories are wont to do, but to get involved in economic planning. We certainly have not done so up to this time, and there is nothing worse—and the Minister of Labour knows it—than the one-industry towns in northern Ontario, which are subjected to every fluctuation that goes on.

His government, despite study after study after study—and I have been on three select committees dealing with the economy—has never introduced a bloody thing—never, whether it was Inco, whether it was the four-year select committee on economic and cultural nationalism or the select committee that did not finish reporting, which the minister was a member of. Despite all of that we have never introduced one recommendation from those various reports.



We continue to stumble along with one-industry towns, and we do nothing.

Finally, the minister might just look at Burwash, because again he is in cabinet, and ask the government when we wiped out—

**The Acting Speaker:** We thank the honourable member, who has exhausted his time.

**Mr. Van Horne:** Mr. Speaker, the motion we have heard in this last couple of hours, particularly highlighted through the comments of the member for Sudbury East, I think reflects the deep concern that all members of this House have for the northern community. What we feel in discussing this motion is not a concern singularly for Sudbury but a concern which is felt by all of us for all those communities of northern Ontario which are single-industry communities. By and large, that is most of the northern communities.

**5:20 p.m.**

The intent of the motion is to draw this concern before the House, to make the members from Sudbury and from the other mining communities and all the other communities of the north aware of our deep concern and also to make it abundantly clear to management that we have a concern. Beyond that, it is to underline to the government the need for some industrial plan for the north. This can only be achieved if we have this debate in all sincerity and with open minds.

I do not think there is any question about the devastating impact this particular event is having on Sudbury or, for that matter, the province. When we reflect on the happening in Sudbury of only a couple of years ago, many of us felt that it would never happen again and we would not feel the same urgency of debate, and perhaps we would not feel the same rush of emotion, because it would not happen. We felt it might come up to the 11th hour, but there would be some kind of agreement and we would not be facing it. Well, that moment has come and gone.

From experience within my family, some of whom are living in Sudbury, and beyond that from some friends who are in Sudbury, I learned that the day after this strike began there was a very noticeable downswing in the various stores and businesses in the community, and there was a noticeable upswing in people who were fast looking around for another job or who were fast regrouping to accommodate what they felt might be a long-time draw on their limited resources.

Let me give members only one example of a

change in business up there: A small second-hand store realized considerably more business on the day after the strike began and many of the first-line, firsthand merchandisers realized a real drop in the business they were doing. This is a reflection on the effect this can have on the community.

Beyond that, I have to go the point the member for Sudbury East made in the last few moments he was speaking. He indicated he felt a strong need for some design or some plan. I would point out that we have here with us the Minister of Labour who, in this instance, is the lead minister, but we have this conundrum and we have had it for some time in this Legislature and in this province of another minister who may well be the lead minister. I am speaking of the Minister of Northern Affairs (Mr. Bernier). At what point does his influence or his ministry come into play?

When we discussed the estimates of the Ministry of Northern Affairs only a few weeks ago, that minister said something of which we were all very appreciative. I would like to quote a part of his opening comment:

"The north is blessed with abundant natural resources. These resources will always be the bedrock on which its economic strength rests. Our job is to make maximum and wisest use of these resources and to help distribute the benefits they create by increasing the north's share of the value added in terms of supplying services and products."

A little later in his opening comments, he said, "I think far more can be achieved by continuing to pursue a range of pragmatic, smaller strategies tailored to strengths and opportunities of specific regions and communities in the north as they really exist."

When one takes a look at statements such as that and when one takes a look at the recommendations that came out of the select committee that studied Inco and Falconbridge in 1978, I would submit to members that the time has come for this government, aided and abetted by all three parties—because I do believe sincerely there is expertise within this chamber—to work for the betterment of the north through designing a blueprint or plan of some long range that would assist it, particularly in its industrial development concerns.

**Mr. Martel:** Is that the five-year plan?

**Mr. Van Horne:** Mr. Speaker, the members on the left enjoy on occasion taking a shot or two at either me and my colleagues or the Liberals in Ottawa. But let me say that as long as

we have an adversary attitude, we are not really going to get down to brass tacks. I submit we should put our differences aside and work co-operatively to do this.

The very first recommendation of that select committee was that the committee urged all levels of government to investigate and develop a program of industrial diversification in the Sudbury area. I submit that should be expanded, keeping in mind again that the report was dealing with Inco and Falconbridge, to concern itself with and to address itself to northern Ontario in all its regions.

Beyond that, I submit we can bash the feds all day long from this chamber, and chambers right across this country can do it, or we can try to come to their defence. Quite frankly, I do not think they give a continental which way we go at them—to pat them on the back or stab them in the back—until we come up with the determination collectively to say to those people, “Let’s get serious about addressing ourselves to the needs of the north.” I think we can do that.

I ask members, when was the last time this House collectively made such an approach to the feds? I have been here five years and I cannot remember. So we can sit and knock them all day long, but maybe it is time we showed ourselves to be sincere about what we would like to see done with the north.

The north is tired of being studied. The north has been studied to death. I think enough recommendations have come from studies, such as were done on Inco and Falconbridge through our select committee a few years ago, and through various other studies, that we could sift through them and come up with a plan that would be workable for the north. That is in the long range.

In the short range, I hope to see a solution to the immediate problems of Sudbury and the region there. I wonder what kind of answer the government had, in considering some form of action—again addressing perhaps the longer range—to the suggestion made through the Kirkland Lake Economic Development Commission, which recommended a separate ministry of mines. In accommodating the mining community, would that particular theme be a recommendation that could help in the long run?

With those words I will close off and again commend the member for Nickel Belt for bringing this debate to the chamber, and suggest to the minister that, if he is the lead person, he

use his office as quickly as possible to try to bring a resolution to the situation in Sudbury.

**5:30 p.m.**

**Mr. Gordon:** Mr. Speaker, I was interested in the remarks made by the member for London North and I appreciate the concern he expressed for the Sudbury region and for northerners in general. At the same time I must inform him that some years ago a delegation went to Ottawa to meet with a very large contingent of the federal cabinet. They listened to our woes and our problems but in actual fact nothing positive happened.

**Mr. Roy:** They are like the provincial Tories.

**Mr. Laughren:** Is that why you quit the Liberal Party?

**Mr. Gordon:** As a matter of fact it has been the provincial government here in Toronto that has been most responsive to the needs of the north and to the needs of the people of Sudbury.

The member for Sudbury East delights in bringing up the matter of occupational health and safety. I assure him that I intend to make sure there is an occupational health and safety centre in Sudbury. I think it is long overdue and is just one of many things I am working to bring to that riding. I want us to do as much for that part of northern Ontario as we can possibly achieve.

As for my advocating a share in the ownership of Inco, any time a government puts money into a corporation as large as Inco it is time we took some kind of preferred interest in that company. That is something that springs from my social consciousness, which is something the New Democrats find hard to swallow. They seem to feel they are the only people who have any real feeling for people and social ideas, despite our party’s efforts in that regard. We have brought in many social measures which have improved the quality of life of the people living in this province and will continue to do so.

I also found it interesting to hear one of the members talk about A Profile in Failure, which was the document put out by the Sudbury and District Chamber of Commerce some years back. There is no doubt that they pointed out some problems, but I find it amusing that the member says, “These are your friends, not mine” when just a few months ago at their party’s annual convention they talked about being the friends of small business people. I think the problem with those people on the other side is that they are so choked with their



own rhetoric they cannot see the light that is at the end of the tunnel.

I would like to go on to talk a bit about Sudbury and its present situation. When 1,000 men are to be laid off as of January 3, 1983, in Sudbury region it will be a tremendous blow to our community. I am sure members on all side of this House will make every effort to try to cushion that blow.

A lot of people in this Legislature do not understand what has gone on in Sudbury over the past 50 or 60 years in which we have had these multinationals in our midst. Of course, the people who are here today, particularly the people in the NDP caucus, have done very little. More jobs have disappeared under their stewardship in the past 10 or 12 years than during any other period of time.

They were never able to bring anything to Sudbury. They were not the ones who established the resource machinery centre which will make such a difference to the north because it will concentrate on mining and forestry machinery, equipment and research and development. It will mean that over the next decade the north is finally going to receive the kind of—

Interjections.

**The Acting Speaker:** Order. The member for Sudbury has the floor. Carry on.

**Mr. Gordon:** With the resource centre, the north is finally going to receive some of the diversification that we have called for over such a period of time. It is not due to these people sitting on the other side, because all they do is spread doom and gloom.

Nevertheless, I would also point out to the members that there are a lot of misconceptions about Sudbury and exactly what the Inco workers turned down. For the information of members in the Legislature late this afternoon, I would like to point out exactly what was offered to those Inco workers. One has to have some empathy for those people. One has to realize they have mortgages the same as everyone else, and they have bills to pay. I would like to read what they were offered.

The company has offered nothing in the following areas: wages—first year, nothing; second year, nothing; third year, nothing; vacations, zero; vacation pay, zero; vision care, zero; COLA roll in, zero; shift premiums, zero; Sunday premiums, zero; benefits—dental rate increase, zero; life insurance, zero; disability pension supplement, zero. One has to understand that when workers are offered something

like that, given the kind of cost of living these people face today, they could not accept it; there is no way they could accept it.

If members want to understand the true feeling of both of those companies towards the people of Sudbury, I ask them to consider this one thing. In 1983 it is Sudbury's centennial. This morning I met with the Sudbury centennial committee in Sudbury. Do members know the grand total that was offered the people of Sudbury by Inco? Five thousand dollars for the 1983 Sudbury centennial. Members have to ask themselves if the bad blood that is there in the north has not been created by unfeeling corporate interests. We have to ask ourselves that question. It is a very serious question and one I would like members to ponder.

Interjections.

**Mr. Gordon:** Mr. Speaker, if I might continue.

**The Acting Speaker:** Certainly, carry on.

**Mr. Gordon:** I think it is quite evident that at present we have a very serious situation in Sudbury. I would like to ask all members, including this government, to do everything they can in order first, to, bring both sides in the strike, both Inco and the union, together. Second, in regard to the Falconbridge layoffs, I would like the Minister of Labour, Minister of Industry and Trade (Mr. Walker) and, of course, the Minister of Natural Resources to make every effort to try to cushion that blow as much as possible. Third, it is very important that we accelerate those job creation projects that will help the people of Sudbury to have a greater belief that the future is going to be strong and that we will prevail.

We are going to prevail, because there is one big difference between the people sitting on this side of the House and the people sitting in that corner over there. That is, we are not negative, we are very positive; we are interested in doing things, we are not interested in poor mouthing and tearing things down.

**Mr. Foulds:** Mr. Speaker, let me tell you, I rise in this debate with a sense of anger and rage as a northerner that we could have in both the Liberal Party and the Conservative Party such apologists for the corporate sector and such patronizing of people in northern Ontario. We do not need their bloody sympathy. We do not need their concern. We do not need their piddling, two-bit sympathy and concern. What

we need is action for northern Ontario. What we need is jobs in northern Ontario.

**5:40 p.m.**

I am frankly fed up to the gills when we have wall-to-wall federal Liberals in northern Ontario who do damn all for our economy. I am fed up when we have apologists like the member for Sudbury, like the member for Sarnia and like the member for Kenora (Mr. Bernier) representing this government from northern Ontario, because what we have is people in this Legislature who are spokesmen for Queen's Park in northern Ontario, instead of having those people representing northern Ontario here at Queen's Park.

My colleague the member for Sudbury East quoted the chamber of commerce. It said the report of the northeastern Ontario regional strategy was the pinnacle of intellectual bankruptcy of the southern establishment. The kowtowing that we see from northern members in the other parties is the bankruptcy of the northern establishment and, frankly, that ain't good enough any more.

This government has been in power for 40 years. It has had the duty and the obligation to develop a mature economy for the Sudbury basin and for all of northern Ontario. It has failed in that duty and that obligation. This government has no goals, no aims, no strategy and, frankly, no guts when it comes to standing up to the corporate sector as expressed by Inco, Falconbridge and Caland.

In 1977 we had massive layoffs in the Sudbury basin and at least we had the Premier (Mr. Davis) and the Treasurer (Mr. F. S. Miller) in their places looking concerned and worried. They announced a cabinet committee that would investigate immediately.

**Mr. Laughren:** A select committee.

**Mr. Foulds:** No, it was a cabinet committee first and then a select committee. The cabinet committee met three times and then sunsetted it. They made the big announcement and then did nothing. If I were not in the Legislature, I would use stronger language than that. That ended in "blank" all. One can fill in the blank with whatever obscenity one wishes. They did nothing. The select committee met, worked hard and made recommendations in a report and this government and this Premier did nothing.

We do not need the government's sympathy any more. The government's job, whether at the federal level or at the provincial level, is to

protect our heritage, to protect our economy, to use the resources of the north to reinvest in the north and to reinvest in this province. We have seen a total failure by the government in that regard.

Sudbury is a city of 95,000 people with a region of 150,000. That makes it about the 10th largest city in this country. I want to say that is the biggest one-industry city in Canada. Why in this day and age, after the companies have been mining in that city for over 80 years, is that city still so vulnerable? Why is it still a one-industry town? Why have this provincial government and the federal government not forced a diversification of industry there? Why have they not created a mining machinery industry that would create 10,000 jobs in the north? Why have they not stopped this silly business of allowing mining exemptions time after time that exported jobs every time one of those exemptions was allowed?

Why have not the Minister of Northern Affairs, the Minister of Natural Resources, the Treasurer or the Minister of Industry and Trade, whom I call nine-job Walker, done something concrete to create a mature economy, one which would have a manufacturing sector in the north so we could live lives of dignity in northern Ontario.

Why can we not have ministers in this government who are not simply patsies for the Premier? Why can we not have ministers from northern Ontario who speak for the north instead of apologizing for the government in the north? Why can we not have ministers of the crown who do something to create jobs instead of, if the minister will forgive me, delivering fire trucks to little unorganized communities? I do not mind those fire engines but I would surely like to see them creating some jobs, and they do not solve the problem.

We have had a little claptrap here about our working co-operatively together. The government has a responsibility to show leadership and it fails. For years, Inco was allowed to get away without even paying property tax in the Sudbury area. Even now when they pay property tax, after the last decade or so, they pay it only on the A-frame and the property and not on the real development which is under the ground.

Atikokan closed down and this government stood idly by. Moose Mountain closed down. This government closed down Burwash and stood idly by. Last Friday, after Falconbridge announced one quarter of its work force, 1,000 people, would be laid off, the Minister of



Industry and Trade had the nerve to get up in the House and make a major government announcement of nine jobs in Elmira. Frankly, I was ashamed for him because that is the sum and substance of the government response.

All the people of northern Ontario want is a fair break, our share of the economic pie we work for, that our miners go under the ground for, and what does the government give us? They give us excuses in this bloody debate. They do not give us any action. They do not give us any concrete steps, and they have not got the guts to get those companies to the bargaining table and to bargain in good faith.

This government will buy into Suncor, so presumably it has no ideological hangups about public ownership. Why does it not get into public ownership? I make it as a concrete suggestion. Why does this government not get into public ownership in the resource sector, in nickel, in uranium? Why does it not get into public ownership in the mining machinery manufacturing industry in northern Ontario?

That is the kind of action that northerners need. That is the kind of action we would want, and that is the kind of action we would respect. At the present time, I must say as a northern member, I have absolutely no respect for the government of this province in terms of its inaction over the economy of the Sudbury basin in northern Ontario and I have absolutely no respect and no faith in the federal Liberal government inaction which is creating unemployment. In fact, the high interest rate policy of the federal Liberals, aided and abetted by this government, creates the unemployment in the north and the rest of the province.

5:50 p.m.

**Mr. J. A. Reed:** Mr. Speaker, my words will be brief and to the point in this debate on the problem in northern Ontario which has been persistent over many years, the problem of one-industry towns. When the economy is in decline, some of those towns die or are injured to the point where they never really recover when the cycles turn up.

**Hon. Mr. Gregory:** You are going to have to speak a little louder. We can't hear you.

**Mr. J. A. Reed:** I am sorry I am not really in tune today to speak at the level the previous speaker spoke at, but I trust the sound system will carry these words of whatever wisdom they may hold.

The problem of one-industry towns in northern Ontario has been with us for many years. I

was interested today in one of the remarks the Treasurer of Ontario made when he was addressing the opposition. He said: "You people are there. Your job is to be critical." In the same breath, other members of the cabinet have said many times, "Why don't you have anything constructive to offer?" When it suits the government's purposes, it wants to have its cake and eat it too.

However, in the past five or six years this party has offered ideas, suggestions and concepts to the government through various ministries that could go a long way in strengthening the economy of northern Ontario in a permanent way. I would suggest to the Minister of Labour, who is here in the House actively participating in this debate, that resource development in northern Ontario on a specific and broad-based basis holds the key, not only to the economic recovery and health of northern Ontario but to the economic recovery of all of Ontario.

It is interesting that when we present ideas to the government it considers them to be either pie in the sky or unworkable. Yet within a few years the ideas are proven in practice. My colleague the member for London North made a good suggestion. He said, "Is it not time we pool the ideas, talents and suggestions of all the political parties and persuasions and begin to weed out the political rhetoric that is supposed to make us shine in one area as opposed to the other parties' stance, posture and so on?" It seems to me in the case of this economic decline in northern Ontario, the political posturing aspect is a serious waste of time when one understands the tremendous impact this downturn is having at the present time.

Through the years, we suggested that resource development in new areas had to take place. I would like to refer to some specifics I have raised in the House many times. I hope the new Minister of Labour will listen to them and to the ideas and opportunities they present for northern Ontario.

We have suggested to this Legislature that \$11 billion is leaving the province annually for the purchase of energy—money that is never returned to the province. One of the main thrusts in resource development in northern Ontario can be the conversion of resources to energy resources.

When this concept was first presented to the government, I remember the various ministers saying: "You are talking about things that are economically unsound. They are unreasonable.

They do not work." As the years have gone by, one by one they are being proven to be workable, sound and in the best interests of whatever jurisdiction they are being developed in.

I will cite some specifics. Ontario has the largest inventory of peat in Canada and the third largest in the world. Yet where is peat utilization and development taking place in Canada? It is taking place very actively in New Brunswick and Quebec. Hydro-Québec is involved in the utilization of peat. We know the technology is in place around the world. I believe there are 86 electric power plants operating on peat in the Soviet Union at present, and a number in Finland and in Ireland. Our approach to peat utilization has been that it is not really workable. We import the resources from outside the province to run coal-fired or oil-fired generating plants.

Let me give members just one example. In the town of Hearst, among all those industries that are faltering and closed down, there is one that is operating 24 hours a day, seven days a week with its full complement of employees. That industry is the Bioshell wood pelletizing plant. This plant can produce an energy resource in competition with the price of natural gas for use either industrially or domestically. The plant is so successful that a commitment has been made by that company to build 10 plants in Quebec and Ontario by 1985, and it is hoped another 10 by 1990.

Yet we have done virtually nothing to assist in the development and exploitation of that great energy resource. I visited Hearst last November and saw that very successful technology in operation. It is not a difficult technology. It is very straightforward. It takes what is now a totally wasted material, one that is given a negative value by the forest industry, and turns it into something of very positive value, a value

that replaces dollars that now leave the province and go out of our jurisdiction.

I know the Minister of Labour is aware that the economic spinoff effect of doing business in one's own bailiwick means that if we spend \$1 here instead of out there, we get from \$3 to \$5 return in increased demand for goods and services. Yet that \$11 billion is allowed to leave our province year after year without a serious effort being made to recover at least some of it.

I am going to bring up another old saw I have spent years trying to persuade this government to get involved in. It is the development of methanol from forest waste. It was with some concern last February that I noticed the government of Quebec signed an agreement with the federal government to develop that technology there. The front end of that technology has already been developed in Ontario, but it is leaving us.

So many of those technologies are applicable and necessary if we are going to experience the kind of economic recovery we need, not only in the north, but in the whole province. Imagine, Mr. Speaker, if we were able to turn over 50 per cent of the money that is now leaving the province inside Ontario. There would be no demand for deficit budgeting any longer. That would be finished and unemployment would be very low in this province. There is a tremendous future for Ontario. It lies with imagination and creativity and the courage and political will of ministers of this government to stand where nobody has stood before and to move into these new areas so we can once again take our rightful place as economic leaders in this country.

**The Deputy Speaker:** Thank you. Time for this order of business has expired.

The House recessed at 6 p.m.



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No. 76

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Tuesday, June 15, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Tuesday, June 15, 1982

The House resumed at 8 p.m.

## ROYAL ASSENT

**The Acting Speaker (Mr. Cousens):** I beg to inform the House that in the name of Her Majesty the Queen, the Honourable the Lieutenant Governor has been pleased to assent to certain bills in his chambers.

**Assistant Clerk:** The following are the titles of the bills to which His Honour has assented:

Bill 1, An Act to revise the Reciprocal Enforcement of Maintenance Orders Act.

Bill 2, An Act to amend the Surrogate Courts Act.

Bill 3, An Act to amend the Charities Accounting Act.

Bill 4, An Act to repeal the Mortmain and Charitable Uses Act.

Bill 27, An Act to amend the Motorized Snow Vehicles Act.

Bill Pr1, An Act respecting the City of London.

Bill Pr14, An Act respecting the University of Western Ontario.

Bill Pr18, An Act respecting the Japanese Canadian Cultural Centre of Toronto.

Bill Pr22, An Act respecting the City of Hamilton.

Bill Pr24, An Act respecting the City of Ottawa.

Bill Pr32, An Act to continue the Corporation of the Township of Fauquier under the name of the Corporation of the Township of Moonbeam.

## INTERIM SUPPLY

Hon. F. S. Miller, seconded by Hon. Mr. Gregory, moved resolution 8:

That the Treasurer of Ontario be authorized to pay the salaries of the civil servants and other necessary payments pending the voting of supply for the period commencing July 1, 1982, and ending December 31, 1982, such payments to be charged to the proper appropriation following the voting of supply.

**Hon. F. S. Miller:** Mr. Speaker, I will take my 10 minutes, the Liberals will have their 10 minutes and the New Democratic Party will have its 10 minutes. I am sure we will pass this motion. If that is agreed, I will watch the clock very carefully.

An interesting piece of information was given to me as I walked in to take my seat tonight. At a meeting somewhere, I think it was the official critic of the Liberal Party, a person who looks after my ministry's actions, the member for Rainy River (Mr. T. P. Reid), who was alleged to have said it really did not matter if this motion was passed until July 15, because there would be a paycheque for employees on July 1 and there would not be any need for any more money until July 15, so they could keep us for that period of time. I suppose I can understand that because, surely, if he is right, there would be no more paycheques to the employees of the government of Ontario held up for that period of time.

Of course, that would indicate to me some of the lack of understanding and concern that is all too real in the party opposite. They tend to forget that on a daily basis the government issues cheques to many business people in this province for services rendered, which I understand are also authorized by this motion.

**Mr. Nixon:** Like consultants.

**Hon. F. S. Miller:** No, like the average small businessman who is supplying goods around the province to this government and who is having difficulty in meeting interest payments, particularly if his accounts receivable are delayed. These are the kinds of things I believe we should speed up—the speedup of payments the opposition was happy to see us do last year when we agreed we had a responsibility to pay interest on unpaid or slowly paid accounts, which is something few governments do.

I only hope the message I got did not indicate a desire on the part of the Liberal Party to delay the payments or the approval of this motion until that time, because it will not be they or I who will hurt, and it will not be the civil servants who will hurt; it will be the people who sell goods and services to the government of Ontario who have every right to expect their paycheques like anyone else.

As we debate this motion, I hope that some of the rhetoric they send to me across the House each day will be remembered and that they will remember, and I am sure they will, that we should look at the principles here. They can speak as long as they wish, but let us make sure

we do not hold up this motion past the day it expires, June 30, 1982.

**Mr. Bradley:** Send out bulletins to all the civil servants and tell them we are not holding up—

**The Acting Speaker:** Order.

Interjection.

**The Acting Speaker:** Order. You'll have your opportunity.

**Hon. F. S. Miller:** It has been my custom to leave this motion for discussion by the opposition, believing that was in the interests of the process and of time. However, tonight I wish to make some comments. They are going to be completely extemporaneous, but they are going to deal a bit with what I suspect will be a topic the member for Renfrew North (Mr. Conway) and perhaps members from the New Democratic Party will choose to talk about: general government policy and the budget.

I would like to talk about my budget and about some of the things that seldom come up in question period. I would like to talk about the good things that were done in that budget, about its objectives and about the process this province uses in creating a budget.

**8:10 p.m.**

A budget is not, as it may be at a municipal or household level, simply the money coming in in one column and the money going out in another column. That, of course, is the core, the foundation, the basis of a budget: dollars in, dollars out, dollars surplus or dollars short.

However, budgets of governments the size of Ontario's are more than accountings of figures: they are statements of economic policy; they are reactions to the times; they are attempts to deal with those times in a way that benefits the people of the province, the people for whom members of this House are elected.

In Ontario we use a process that is quite long. There are two completely separate parts to the process. The allocation of spending authorizations to the ministries in most years starts for the next year almost immediately after the budget is read. Across the hot summer ministers probably have more disagreement, discussion and diatribe with me than members of the opposition do, because each minister is charged with getting out of Treasury as much money as he or she can get to carry out the mandate to run a specific ministry, and that is the way it should be.

Cabinet has to listen to the reaction to those requests as analysed by Management Board and by Treasury. We generally set overall growth

targets for spending and then try to fit the sum total of everyone's requests into that growth; and it never fits. In fact, it bulges out, much as rising dough does while you are waiting to make loaves of bread: it just comes out of the pot. It is dough of a different type, though. Our purpose, then, is to push the dough back into the pot until the pot can contain it. That is why, I suppose, I need a lot of money.

**Mr. Sweeney:** Remember what Harry Truman said: "If you can't stand the heat, take over the kitchen."

**Hon. F. S. Miller:** I might say to my friend that he has never had to take the kind of heat I have taken in the last few weeks, and I wonder if he could take that kind of heat.

**Mr. Sweeney:** Give us the chance.

**Hon. F. S. Miller:** He talks bravely about taking the heat while he dishes it out, but every so often one of the members opposite should learn how to take it.

**An hon. member:** You are good at it.

**Hon. F. S. Miller:** Yes, we are good at it. That is why we are the government of this province.

**Mr. Wrye:** But only for three more years.

**The Acting Speaker:** I ask the Treasurer to speak to the resolution.

**Hon. F. S. Miller:** Well, I was sticking quite properly to the principles. I am trying to be serious, and I hope the member opposite will be too, because I am trying not to be emotional in my comments except when somebody interrupts me who never would have tolerated a student in class talking like that.

**Mr. Sweeney:** It is a different thing altogether.

**Hon. F. S. Miller:** It does not need to be. There is a time for my friend to speak; there is a time for me to speak.

**Mr. Roy:** Don't be so sanctimonious.

**The Acting Speaker:** The Treasurer is speaking to motion 8.

**Hon. F. S. Miller:** It is interesting that the member who just said I was sanctimonious also is alleged to have said this to people who quoted it to me: "Our purpose for the next three weeks is to create absolute chaos in the Legislature." Those are the words that came back, which he is said to have said: "Our purpose . . . is to create absolute chaos."

**Mr. Sweeney:** You have already created chaos.

**Mr. Wrye:** That was created on May 14.



**The Acting Speaker:** Order. The Treasurer is speaking to motion 8.

Interjection.

**Hon. F. S. Miller:** What was that?

**Mr. Van Horne:** How much time and money do you spend finding out what people say? You are irresponsible. You waste time running around trying to find out what people said. Get on with your job.

**The Acting Speaker:** Order. There is no need for the dialogue back and forth. The Treasurer has the floor; then the party on my left will have the floor and we will pass it around.

**Hon. F. S. Miller:** I would just say to the member for London North (Mr. Van Horne) that I have sat through seven and a half hours of his colleague's words in this House, and I do not think that at any point in that whole seven and a half hours I have shown any anger towards his friend. In fact, we have had a number of laughs together in the process, even when he was trying to make his points. I like to bring that attitude to this House, and I hope the member will bring it with him.

**Mr. Riddell:** Everyone appreciates words of wisdom.

Interjections.

**Hon. F. S. Miller:** I can speak for seven and a half hours too, and if the member opposite wants to leave, I say to him, please do. It happens that if he does not interrupt, I will get on with it a lot faster.

**Mr. Roy:** Don't filibuster your own motion.

**The Acting Speaker:** Order.

**Mr. R. F. Johnston:** I'd just as soon listen to the Treasurer as the member for Renfrew North (Mr. Conway).

**Mr. Watson:** That is the first intelligent thing you have said.

**The Acting Speaker:** Order. The Treasurer has the floor.

**Hon. F. S. Miller:** That process of allocating the money to each ministry is done with the assistance of the policy fields, the provincial secretaries and the cabinet. It usually ends some time around mid-December, following which announcements are made by ministers of general spending guidelines to recipients of major grants: hospitals, universities, boards of education and municipalities.

Following the Christmas break each year I begin with my staff a process that, as far as I know, is unknown in Ottawa, one of inviting in

some 35 to 50 groups who represent specific interests to give me not only their viewpoint on the economy but also their suggestions as to what is needed in a very specific way for their industry and in a general way to guide me as I make my basic policy. Out of all that come a lot of requests to eliminate taxes totally and a lot of suggestions to spend more money in their areas while cutting it in others.

Finally we come to a conclusion about what we think the sum total of all the knowledge is about the way the economy is going to go, and from that we come to the most important single figure we develop in the budget process: that figure is what we believe we can sustain as a borrowing cash requirement for the year.

For about three years I have targeted around \$1 billion. In some years—the first two or three years, the first two at least—I was able to come in, when our figures were finalized, and show members that we borrowed less than we had estimated. Revenues were healthier and, with my colleague the Chairman of Management Board of Cabinet (Mr. McCague) controlling spending at the predetermined levels, we held the fort pretty well.

Last year, because the economy went into a bit of a tailspin and because we made certain major purchases not predicted at the beginning of the year, such as Suncor, we had a cash requirement that exceeded the approximately \$1 billion by about \$600 million to \$700 million. This year most of the people who came in to see me, most of the advisers representing unions, banks or companies, said that if you used good, old-fashioned Keynesian theories it was not a year to go to the well too deeply, too often; that we should really aim at a considerably higher cash requirement, provided it did not cause a long-term trend towards heavier borrowing.

**8:20 p.m.**

I consulted with people who could advise me on the amount of money available from the various pension funds and the cash reserves of the province that could be wound down somewhat, and I targeted between \$2 billion and \$2.5 billion as the desirable cash requirement level. I then had to go into the economic document part and decide whether it was appropriate this year for government to take stimulative actions aimed at creating jobs directly or to aid industry to create them indirectly. We chose to do both.

At a time when one could argue that I should not have taken any tax reduction measures, we chose to eliminate the corporate tax on small

businesses. I hope members will agree in all honesty that this was not bad.

**Mr. Riddell:** For those businesses that are making a profit.

**Hon. F. S. Miller:** Even if the member gives me that much, I accept it as modest approbation.

**Mr. Riddell:** All kinds of others are struggling for survival.

**Hon. F. S. Miller:** I accept that. I cannot give tax back to a guy who does not have to pay it.

We also decided that in this particular year there had been such a fundamental attack in the federal budget against the principles of private investment in Canada that Ontario should refuse to parallel certain capital cost allowances, certain measures that tax in the year of sale the capital gain of a farm or a small or big business whether they were paid in cash or not, and certain measures that were aimed at penalizing one of the healthier industries we had, namely the steel industry, by eliminating its resource allowances.

We did so for two reasons: not that the \$135 million we gave up would save those businesses but to show the federal government that Ontario believed in investment and to show them that in a year when we were hurting financially we were willing to set an example which we hoped they would follow.

With the knowledge that Mr. MacEachen was bringing out some kind of economic document or statement in late June or early July—at that time we did not know when—we felt there was a fighting chance that the pressures that had been mounted on him over the past six months would result in a withdrawal of those measures which we think eventually could be dangerous to the economy.

We also looked at a way we could create jobs immediately. We felt the fastest way to do that was to take some off-the-shelf government projects that had to be done sooner or later and could be done with minimum engineering time or delay. So members saw \$171 million spent on mostly minor highway works, municipal roads and access roads. We also took steps to help universities, high schools and public schools do major repairs. We had a \$35-million project for the municipalities based on general welfare assistance cases per municipality, and we put some more money into the youth pot for this summer's jobs.

We then went one step further and said we could not only create jobs in Ontario but also

attack a fundamental housing shortage in the rental area by directing some money to encourage younger people, who had the wherewithal to do it, to buy houses.

We have an interesting paradox in Ontario at present. We have a case where the savings rate is touching 13 per cent of after-tax income. A year ago that was closer to 10 per cent. The American rate is under six per cent. Even with that very high savings rate, Canadians have not been purchasing major goods; but Americans are, while at the six per cent savings rate.

The question is, why are Canadians putting their money in the bank or into some kind of investment instrument that is debt-related when Americans are buying consumer goods, which one expects people to do when they have enough money to do it? Until Canadians start doing it, most of us in this room will agree it will be difficult to stimulate jobs in our basic industries.

No more fundamental industry exists than the housing industry. We had a shortage of rental accommodation. Occupancy rates in some major cities are down to less than one per cent. Last year there had been very successful combinations, or piggybacking, of federal multiple-unit residential buildings programs and provincial grant programs sometimes totalling, they tell me, in excess of \$15,000 per apartment and created just to get apartments built.

We believed that if we created a program to move renters into new homes, not only would we leave a vacant apartment but also we would get somebody who could afford it into a house and, at the same time, have people back at work building those houses, making the lumber for those houses, making the plumbing supplies, the electrical supplies, the appliances and, inevitably, the furniture people buy when they move from one place to another that is larger.

The last time I looked, on Monday, we had 1,250 applications. The Minister of Municipal Affairs and Housing (Mr. Bennett) tells me our 15,000 target is likely to be exceeded before the program ends.

**Mr. Bradley:** That is not happening on the peninsula.

**Hon. F. S. Miller:** Each house represents something in the order of three to three and a half man-years of employment.

The \$5,000 interest-free loan for 10 years is much less costly than the grants we are giving to create rental accommodation. The social objectives, I think all of us have to agree, are better. It seemed to be one of those programs that met a



number of objectives and criteria. It appears to be successful. We are hearing from ridings where—quite frankly, in rural Ontario the members had little expectation of any take-up, yet we are hearing that it is working in some of those ridings to their benefit.

It was not aimed at getting rid of inventories of houses that were on stock. We put an upper cap on the value of the houses at \$115,000 in Metro Toronto and \$90,000 in the rest of Ontario. We required the person to have 10 per cent of his or her own cash down to pass the mortgage lenders' criteria for lending before our money was put in there. That is all done.

**Mr. Roy:** But what level of people is the government helping? What income are they making?

**Hon. F. S. Miller:** I am helping people who have the wherewithal to buy a house. The people I am really helping are those who now can find an apartment to rent and the people who have a job building the houses. If the member for Ottawa East (Mr. Roy) does not think that is a valid government objective, I would appreciate his standing up on every street corner, on every platform he can, and saying he disagrees with this government because it is doing the wrong thing. I say to him, please stand up on those corners and say it. That is all I am asking him to do.

Interjections.

**Hon. F. S. Miller:** Ron Van Horne, you have been a very even-tempered person. I do not know what is wrong with you tonight.

Interjections.

**Hon. F. S. Miller:** The member for London North. I am sorry; if I had known his riding I would have had it right the first time.

8:30 p.m.

**Mr. Van Horne:** We met in the last election.

**Hon. F. S. Miller:** Yes, we did. I tried to offer him early retirement on an involuntary basis, but it did not work.

**An hon. member:** Is this a filibuster you're engaged in?

**Hon. F. S. Miller:** No. I think it is quite important because—

**Mr. R. F. Johnston:** The member for Sault Ste. Marie (Mr. Ramsay) has been on duty all day today.

**Hon. F. S. Miller:** I do not think I have ever had the opportunity in the House quietly, and I

hope factually and unemotionally, to put forward the creation of a budget.

**Mr. Foulds:** You need a little fire in the belly, Frank.

**Hon. F. S. Miller:** I am not trying to put any into it tonight. I am just trying to be factual, something the member could emulate.

We also sent another signal in the budget, because the real impediment to growth in Ontario's and Canada's economy is the rate of interest. Will we buy that? That, more than any other single factor, tends to stop people from making major investments.

Interjection.

**Hon. F. S. Miller:** Our attendant, Jim Stesky, had a son who weighed over seven pounds at 6:55 p.m. Both mother and son are fine.

See, I bring in a good budget and good things happen.

**Mr. R. F. Johnston:** Mr. Speaker, on a point of order: I was wondering if there is seven per cent on the delivery.

**Hon. F. S. Miller:** Only if Chargex is used.

The other signal we sent in the budget was that inflation is Canada's greatest single problem. It is inflation and the resulting interest rates that are causing unemployment problems. It is also causing the lockup of funds, to some degree, because people are saying they are earning so much in real terms, why spend it?

It is also irritating to Mr. MacEachen and to me, and I hope to the members, to find that the policies of our country are seeing interest rates in Canada go up, at a time when interest rates in the United States are going down, because people have lost confidence in the value of our dollar. So, in the budget, we took a step that we hoped would be a first step followed by many others.

That first step was to say that senior civil servants would be restricted to six per cent salary increases this year. That is some 15,000 people. There was some flexibility left for people at the low end of that scale who interfaced with the bargaining units.

We also said there would be a sunshine rule brought into this House, and that bill is before you. It requests that all those emanations of all governments that have employees earning more than \$30,000 a year should have them listed year to year, with the changes in salaries listed so the public could have an opportunity to see whether the guidelines we have recommended are being followed in fact as well as in spirit.

**Mr. Riddell:** We would believe the Treasurer was serious if he took the parliamentary assistants off the gravy train.

**Hon. F. S. Miller:** That, of course, is jealousy, it is not seriousness. The interesting thing is that the member for Huron-Middlesex (Mr. Riddell) in his own way has really touched the fundamental issue. He is sitting over on that side of the House green with envy because certain positions come with power in government that pay more than a back-bencher gets, and he does not like it. He does not like it. Those guys work hours and hours. Do not ask me to justify every one, but mine does and others do. I certainly did in the Ministry of Health. If that member were in this government—

**Mr. Wrye:** And we will be.

**Hon. F. S. Miller:** We learned it from the feds. They created them first. We looked at their example of making parliamentary assistants, or parliamentary secretaries I believe they call them in Ottawa—

**Mr. Foulds:** Why don't you let him answer questions when you are not here?

**Hon. F. S. Miller:** That is not the issue.

**The Deputy Speaker:** We are straying a little from the motion in front of us.

**Hon. F. S. Miller:** He is touching the very fundamental part of why they are filibustering.

**The Deputy Speaker:** Do not get me going.

**Hon. F. S. Miller:** Mr. Speaker, you were a parliamentary assistant.

**The Deputy Speaker:** No, never have been.

**Mr. Wrye:** Sam earns his money.

**Hon. F. S. Miller:** I want to point out that I spent seven and a half hours listening to debate on my bill, and if I am not any further off the point than at least one previous speaker—

**The Deputy Speaker:** I thought I was helping.

**Hon. F. S. Miller:** I am here for the night.

**The Deputy Speaker:** All right, carry on.

**Hon. F. S. Miller:** We did that because we believe not only senior officials of governments but all those emanations should keep their salaries down to show guidance and leadership to the people who are in bargaining units. It is happening in the United States and in other countries. Every time we increase salaries in Canada at a rate that exceeds our productivity we lose our edge in the international world markets and lose employment to the United States or Japan. We have to get that message out

from all sides of the House. It is not a partisan issue.

Interjections.

**Hon. F. S. Miller:** I am talking about the economy outside of this building. I am simply saying it is a reality of life that we must have some understanding that the nation has to earn the money it pays itself.

**Mr. Wrye:** Would you put that in a letter to Hugh Macaulay, please?

**Hon. F. S. Miller:** I have sent a letter to Ontario Hydro in advance of this week's meeting of the board in which I understood there were to be some salary changes coming. I pointed out what we were doing and asked that they consider their actions in the spirit of the policies we are laying down.

**Mr. Bradley:** What did you do two weeks before the last campaign? What did you do?

**Hon. F. S. Miller:** I am trying very hard to carry on.

**The Deputy Speaker:** Continue.

**Hon. F. S. Miller:** That six per cent guideline, which we were hoping would be followed in negotiations, was set at a time when many a taxpayer in the private sector was not so much worried about whether he or she would get a six, eight or 10 per cent increase as about keeping his or her job. We feel it should go with the security of employment which we offer our employees that there should not be increases equal to inflation. We feel we have to be prepared to stand up and say that and that is what we are doing.

In my opinion, once we are past the foofaraw on the tax measures relating to the seven per cent sales tax which was stirred up yesterday, the day the tax commenced, I believe it will be seen to have been a responsible budget at a time when the economy required responsibility.

When I get to the sales tax changes, the part where the opposition members obviously have had the most public support, I can only point out that there were a number of alternatives. I understand less than 50 per cent of all moneys spent by families in Ontario is spent on items that attract tax.

In this province, where sales tax has existed for over 20 years, starting with the 1961 budget, we have seen the tax base eroded rather than added to; until my 1981 budget, when I said the holes in the base made it look like Swiss cheese; that there was no rhyme or reason in the exemptions that were there; that in many cases



a non exempt item was just as necessary, or whatever term one may wish to use, and just as politically sensitive as an item that was not taxed.

We were causing administrative problems for many retailers because untrained clerks could not tell what was or was not taxed; we gave our undertaking to review the exemptions so as to have some idea of whether they were still fair.

**8:40 p.m.**

There were items I could quickly have added to the tax base, or I could change the rate; those were the alternatives. Eight per cent, the easy way out, the way members have recommended to me, would have brought in about \$435 million. That is somewhat more than I got through my own route. The seven per cent I brought in was closer to \$300-odd million on a wide variety of items.

Why take a politically difficult route when a politically easy route would have worked and brought in more money?

**Mr. Nixon:** Bad judgement.

**Hon. F. S. Miller:** No, it was not bad judgement. You may say that. That is easy to say when you are in the opposition.

**Mr. Bradley:** It is easier to sell the jet.

**Hon. F. S. Miller:** No, not at all. It was clearly recognized that eight per cent was easier to sell than what I did.

**Mr. Roy:** Did you poll that?

**Hon. F. S. Miller:** I am not going on any poll. I am talking about my discussions with my staff and my Premier (Mr. Davis). At that point we concluded that from an economic point of view the deterrent of one per cent more sales tax on high-ticket items would cut sales further and would further erode employment in the industries affected.

**Mr. Nixon:** One hundred dollars on a car.

**Hon. F. S. Miller:** A thousand dollars on a big truck?

**Mr. Nixon:** You are talking about a \$5,000 truck.

**Hon. F. S. Miller:** That is a normal highway carrier.

Interjection.

**Hon. F. S. Miller:** That is an increase.

Interjections.

**Hon. F. S. Miller:** The other alternative was to tax some items that would have irritated

special interest groups but not the public. Let me name them so that they are on the record.

**Mr. Nixon:** Not farmers.

**Hon. F. S. Miller:** Not farmers, no; farmers need some help.

**Mr. Riddell:** Sure, farmers are struggling, and you just put a tax on ice cream.

**Hon. F. S. Miller:** No; the tax would have been on advertising: television, radio, newspapers. But again that goes to the assumption that advertising is not money invested by businessmen to create business; I believe it is.

So we chose a somewhat difficult route, and I have faced quite a few angry people in the process. I would argue that is one of my responsibilities as Treasurer. Not all the angry people are in front of me. It has been said that some of them are in my caucus.

**Mr. Nixon:** They talk to us.

**Hon. F. S. Miller:** Oh, sure; you ask any guy who has to go home on a weekend, from any party: it is a lot harder to go home as a government member supporting a Treasurer than it is to go home as a member of the opposition able to swear at a Treasurer. The members opposite know darn well they can go home and with great joy complain about the idiots on the opposite side of the House, whereas these gentlemen have an obligation to go home and support the idiots on this side of the House.

**Mr. Van Horne:** Is that an admission?

**Hon. F. S. Miller:** I see at least one and maybe— how many members of the New Democratic Party are up in the press gallery tonight?

Interjections.

**Hon. F. S. Miller:** I thought that was out of bounds.

Mr. Speaker, we get to debt. The opposition has a lot of fun with debt. They talk about the profligate ways of the province of Ontario, the way we are putting it into debt beyond the ability of any citizen to pay. I want to tell members a few things. The deficit this year was one tenth of my gross budget; the deficit in 1975 was closer to 18 per cent.

**Mr. Roy:** That's only because you are comparing it to another election year.

**Hon. F. S. Miller:** This year, 1982, is hardly an election year, my friend.

**Mr. Roy:** That's what I'm saying; that's why it went to 18 per cent in 1975.

**Hon. F. S. Miller:** It was an election year in 1975; 1982 is not an election year.

I have had budget deficits as low as two per cent of my spending; four per cent by record, but two per cent actual. My debt is about 0.94 years of income.

**Mr. Van Horne:** I would hazard a guess that if we had put you in charge of the Sahara Desert five years ago we would be out of sand by now.

**Hon. F. S. Miller:** But you would have more oil.

My debt right now is about 11-odd months' income. In Mr. Frost's day it was 21 months' income. My spending per person, including municipal spending because they have to be lumped together, is the lowest of any province in Canada. If I were spending at the level of Quebec, my budget would be \$9 billion higher than it is. If I were spending at the level of Alberta, it would be between \$20 billion and \$22 billion more. Those sober factors need to be kept in mind.

At the same time, show me another government in Canada that in the last five years has seen a reduction in the number of employee-years of all types within it. We are down to about 81,500. We were at 87,000 back in 1976. Compare that with Quebec, Alberta or, horrors, the federal government. There is almost cancerous growth in those governments. Some of them are reaching their Armageddon.

All of a sudden, the resource revenues of British Columbia and Alberta have evaporated. Unlike Ontario, those economies are dependent in the main on single-base economies. We are a multi-base economy. We have many strengths and the diversity of those strengths has kept us going across the tough years. This is without doubt one of the toughest years we have had.

Above all things, it is a test not of economic theory but of the will and confidence of Canadians in their country. My job and my budget was not half as much to cure economic ills as to cure mental ills and get us back to believing that we can once again invest in this country, see results from that investment and make it a safe place to get an honest return on one's investment.

That above all else is what business people want to hear. If they do not hear it, they will move their money into other domains where they consider it to be safer. They have done that in droves since the federal budget of the fall of 1980 when the national energy program came into being. The person who moved an 84 cent dollar out in 1981 has done very well. He has 105 cents for every dollar he had then because he has seen his dollar drop.

I believe that trend will reverse itself and I

hope it happens soon. I hope the speculation against our dollar will stop soon. I hope we will hear our people say this is not only the place to live, but it is the place to invest with confidence. That is one of the jobs of all governments. The members may say I do not do it well. That is their privilege. I am doing it as well as I can. I wish to God my colleagues in Ottawa would do it as well.

**Mr. Conway:** Mr. Speaker, I am reminded by my friend the member for Riverdale (Mr. Renwick) that this is the evening on which the Canadian Broadcasting Corp. begins a 30-hour uninterrupted broadcast of James Joyce's famous *Ulysses*. I would not wish to keep anyone from listening to that marvellous classic, but I am reminded as well that it begins somewhat later in the evening.

Mr. Speaker, in anticipation of others being in the chair, I tried to prepare myself for the interim supply debate, keeping in mind a memory I had from about a year ago when some of us began to discuss the issues that concerned us in that debate. We had a bit of a problem determining the rules governing the interim supply debate, so in consideration of that potential difficulty—

**The Deputy Speaker:** You come prepared.

**Mr. Conway:** —I stole away to the library and brought with me a couple of references that I hope will set the picture, as I imagine it, and give you guidance should you find that from time to time in places I am not following the orders as they should be followed.

**8:50 p.m.**

As I always do in these matters, I turned to a very excellent publication by the distinguished father of our current Clerk, Mr. Alex C. Lewis, who in 1940 authored *Parliamentary Procedure* in Ontario. I wanted to touch very briefly upon the guidance provided in that very useful publication, one which I would strongly urge honourable members to acquaint themselves with because as I was reading some of its passages this afternoon I was reminded how we had strayed from its very good direction. I was thinking particularly of the injunction that members ought not to read speeches. I knew I had read that somewhere. I was just noting it again this afternoon.

I want to quote from page 83, under the subheading *Debates on the Address and the Budget*, and I quote from Mr. Lewis's volume: "While the foregoing rules apply generally to debate"—the foregoing was a brief discussion of



relevancy—"two principal debates of the session are exempt from the rule regarding relevancy. On the debate on the motion for an address in reply to the speech from the throne, and also on the debate on the motion that the House resolve itself into committee of supply, members are allowed to range far afield and discuss a great variety of subjects. These are the two dress parade debates of the session where every member is given an opportunity to air his views." I rather like that expression, the two dress parade debates. Would that our current parliamentary commentators use such good language.

**The Deputy Speaker:** Not wanting to debate from the chair, it made reference to committee of supply.

**Mr. Conway:** Mr. Speaker, I wanted to cite that reference which is for me at least some guidance on how one might approach the matter of the supply debate. I was then struck by a reference in Professor Mallory's *The Structure of Canadian Government*, wherein that very distinguished observer of the Canadian parliamentary scene writes on page 251 of that volume, "The business of the committee of supply was to give an opportunity for every member of the House to act on that ancient maxim of parliamentary law, grievance before supply."

He goes on to discuss how it is that the supply debate is an opportunity to do just that, to invite all honourable members to express themselves individually on the issues that concern them, both as it relates to the general administration of the government or upon those aspects of public policy as it relates to affairs within their constituencies.

The very distinguished W. F. Dawson, in his *Procedure in the Canadian House of Commons*, also goes on, on pages 215 and following, indicating the same rule that Professor Mallory indicates is to be followed, that all honourable members have an opportunity to speak at length on issues that concern them.

I was listening, as I always do, with care to the member for Muskoka, the provincial Treasurer (Mr. F. S. Miller), in his earlier comments, which I appreciated. I listened to his 38 minutes of civics. I felt a bit of pique where he made an interesting reflection upon the very difficult responsibility which it is his to discharge. There was a very thinly disguised message in his early remarks to the opposition along the lines of, "You people better understand that we will not

be happy if we have to cease making payments to those on the civil list as of July 1, 1982."

His rather freewheeling discussion of this government's intraparlimentary intelligence network is always interesting. I know how many and how well paid are the genteel agents whose sole purpose in this place is to gather information and to report it back.

I find always most startling in its sweep the Progressive Conservative candidates' handbook during election campaigns. It is at that time that I recall who sits where looking down on this place and dutifully taking notes that are filed away for very selective use some years later. I am thinking about the Treasurer's comments in respect of, "Be very careful, members of the opposition. A discharge of your traditional parliamentary responsibilities in the supply debate could cost you dearly in a political sense."

Lest the members wonder to what point I am proceeding, that reminds of a quote in the excellent, *The Public Purse: A Study of Canadian Democracy*, by Professor Norman Ward of the University of Saskatchewan. He recounts a story of a Conservative Prime Minister of the day, Robert Borden, who said in this matter of debates on interim supply when he was Prime Minister, in dealing with another Nova Scotian who was putting a question to him, "I should like to say that I myself tried once in opposition, under what I thought were somewhat serious circumstances, the policy of refusing any vote on account"—that is, on account of interim supply—"and before 10 days were over"—said the poor Prime Minister—"I got very tired of my position because I heard I think from every province and from nearly every community in Canada on that subject."

Certainly it has been the experience of everyone, from the distinguished Prime Minister Robert Borden to those of us in this local assembly, who but a year ago engaged in our responsibility, that governments are quite capable, and now much more able, to get the message out about so-called obstruction of supply. I just wanted to cite, and certainly Professor Ward is very clear on the subject, that the responsibility is there for members of the Legislative Assembly and members of Parliament to—

**Hon. F. S. Miller:** Mr. Speaker, on a point of order: I do not think the member is deliberately changing my words, but I think I gave both sides of the risk. I pointed out that in discharging what I quite properly see as the opposition's responsibility to criticize and to extrapolate or

extend the debate, they were running one risk. That risk was that people would think they were delaying the business of the House. I also pointed out that my government was running a risk that people would agree with the opposition, that is the risk we take in that situation. It was not a one-sided alternative.

**Mr. Conway:** The appreciation that many private members have that the discharge of these responsibilities is a regrettable nuisance for the members of the executive council and, quite frankly, something of a nuisance for members of the esteemed fourth estate, is something that is a burden from time to time that those of us interested in that responsibility must shoulder.

**9 p.m.**

I want to say—and again, I do not do so as much for the edification of the minister as for the member for York Centre (Mr. Cousens), who I know is a particularly anxious arbiter in this matter—that I referred to those four authorities to indicate that in my view the role of the members of the House in so far as interim supply is concerned is an important one and one, quite frankly, that I think should be taken more seriously than it has been in the past. I will not cite the recent decisions of the member for Peterborough (Mr. Turner) and the member for Lake Nipigon (Mr. Stokes) as Speakers who would clearly indicate that the supply motion is, to quote Mr. Lewis senior, a dress parade debate.

**The Deputy Speaker:** Actually, I did not know we had trouble interpreting the range last time.

**Mr. Conway:** My recollection from the late evenings of June 1981 is that there was from time to time a difficulty with the relevancy rule so I came tonight with those references because I thought they might be helpful.

I want to say a few additional things about the Treasurer's introductory remarks which, as I indicated earlier, were interesting and instructive in some respects. I have a problem I would like to share with the Treasurer. It relates to a personal experience I had with the budget-making of an earlier year.

I have great difficulty in believing that the civics homily delivered by the Treasurer is the whole story. The experience I had with the 1978 Ontario budget made me somewhat more cynical than I ever imagined I would want to or could ever become in this august place.

As the member for Oxford (Mr. Treleaven)

leans back in his blue covered chair with a rather quizzical look, I would only suggest to him that he, among other things, refer to a film which I keep referring to in this connection. That is the famous film of the government of the Premier, *The Art of the Possible*, which was screened about three and a half years ago. In that film, we get a splendid insight into the 1978 Ontario budget-making process. I must say to the esteemed member for Oxford that it is at some variance with what we have just been told by the Treasurer.

One can never forget the Premier of the day leaning back in his chair, saying to his deputy minister, Dr. E. E. Stewart, "What is the line we use about the justification of OHIP?" It was an exchange at any rate between the Premier and Mr. Stewart on the Ontario health insurance plan, and a lovely exchange on the tax exemption for storm windows and storm doors: but that was four years ago; I rather note, with interest, a change of heart in this budget over that.

I would not want to take up the time of the House to reflect more seriously upon the misinformation we were given by the government in so far as the justification for the OHIP move is concerned. There was in my view a serious breach of the parliamentary way in that discussion, where it was clearly the case that the government was less than forthcoming with all the information that had been available to it in so far as that budget was concerned.

The member for Muskoka (Mr. F. S. Miller) is quick to point out in an exchange with my friend and colleague the member for Huron-Middlesex (Mr. Riddell) that, "Well, we are over here and you are over there; and really, this whole business is about power, its maintenance and its exercise."

We do have a difficulty, quite frankly, in fully understanding the corridors of power and their exercise in this province where for 40 years we have had this Conservative dynasty, but we do from time to time have an opportunity to look at some of those processes, and I can simply say that the 1978 budget experience was for me one of a rather remarkably different kind from the process outlined by the Treasurer in his introductory remarks tonight.

One also gets the impression that the Treasurer, and I draw this conclusion on the basis of his sonorous, serious and almost reverential tone—

**Mr. Roy:** Angelic.

**Mr. Conway:** Angelic may be too strong, but certainly sonorous and reverential tone here



this evening. The Treasurer, I gather, is not having a particularly good time in these days of the post-budget period. I do not know whether he knows what the member for Brantford (Mr. Gillies) has been saying about aspects of the budget, and I do not know whether he knows what the member for London South (Mr. Walker) is saying about the budget, to which I will return.

Last night we were treated to the Minister of Transportation and Communications (Mr. Snow), who could not have put more distance between himself and the budgetary measures of the Treasurer. Quite frankly, one got the feeling that the ancient British parliamentary notion of a collective responsibility in the exercise of a collective cabinet was something he was not going to easily lend his name to. He repeatedly put the long arm that he is famous for between his ministry and some rather controversial things that had been attempted and, in fact, were being effected by his colleague, and one presumes his friend, the Treasurer. It is clear the Treasurer is receiving not only the pressure of the opposition. One gets the very distinct view that there are many in the Conservative caucus who are bringing to bear their considerable talents upon him to reconsider some of the initiatives he has undertaken.

We were treated as well tonight by the Treasurer to a discussion about the responsibilities of government. It is true that they are different from the responsibilities of the opposition. It is, of course, known to all honourable members that the executive council will propose and the opposition and the Legislature must dispose. It is certainly going to be our continued view that our responsibility in the opposition is a serious and positive one. I, certainly, on behalf of my Liberal colleagues, will tonight, as I feel I am being X-rayed by the Minister of Transportation and Communications, place before the House our ongoing concern about the broadening of the base for the application of the retail sales tax.

The members of the executive council and the members of the government party would do well to appreciate fully the seriousness of our resolve in that specific connection. My colleagues and I note with some satisfaction that on a couple of minor measures the Treasurer and his rather acerbic junior minister friend the Minister of Revenue (Mr. Ashe) have yielded, and we commend the Treasurer and the acerbic junior Minister of Revenue for their thoughtfulness in that respect.

I want to reiterate on behalf of my colleagues the view put by my leader and by our finance critic, the member for Rainy River (Mr. T. P. Reid). We are not at all happy about the sales tax provisions in this particular budget, and we will undertake such actions as we deem necessary and responsible to continue to draw to the attention of the Treasurer and the government, as well as to the attention of the public at large, the serious and negative effect this sales tax policy is currently having and is going to continue to have upon the economy of this province.

**9:10 p.m.**

I would simply ask the Treasurer, as the lead minister in this respect, not to in any way consider as frivolous or as quixotic our actions in that respect. I cannot believe that my friend the member for Algoma-Manitoulin (Mr. Lane) and of course the new member for Northumberland (Mr. Sheppard) when they ply the waters of Georgian Bay and Rice Lake on the weekends, are not too visited with the serious and negative effects of the sales tax measures undertaken by the Treasurer.

I would strongly encourage the solid spokesmen and women for the Conservative heartland, members of the government caucus, to impress upon members, the cabinet and in particular the Treasurer the need to accommodate the legitimate concern of the opposition vis-à-vis the reference of this matter to a committee of the Legislative Assembly for such purposes as entertaining delegations whereby we can all learn of the actual effects of that particular measure. None of us in this opposition wish to be considered difficult or obstructionist. We feel there is a responsibility, however, to fully ventilate the mounting frustration we have identified. We are not unmindful of the remarks the Treasurer of Ontario has directed to the federal sphere of political activity and repeated here tonight about the need for reform in their budget-making process.

Might I say that however true that may be—and I think there is now a wide consensus that in fact a change will have to take place—there is in our view an equal obligation on this government and assembly to undertake reform of our own budget-making provisions. The fact that we often have budgets that are altered very quickly after they are introduced recommends itself as a good cause for this reform to all honourable members.

I cannot imagine that any reasonable member of the Conservative Party in this assembly

would seriously, and privately at least, object to that kind of a measure. I reiterate the serious and steadfast concern of the Liberal opposition on that principal measure, the sales tax item in the May 13 budget. I would restate the position of my leader and of my colleague the Treasury critic, the member for Rainy River, that unless and until there is a commitment by the government, specifically the Treasurer, to refer that sales tax measure to a committee of the assembly, we will find it difficult, if not impossible, to expedite the business of this House for the expected recess time.

I want to say that as one member who is, I might add in response to the Treasurer's statements about the housing industry, in the process of building a modest cabin in the central highlands of Renfrew county, I feel an obligation to get back home to my constituency to, among other things, superintend my modest contribution to the sort of consumption I thought the Treasurer was encouraging all honourable members to participate in. I want to conclude that part of my remarks by saying, as directly and as unequivocally as I can, on that we will not waver.

We feel the sales tax policy of this government is wrong, is having a very negative effect upon the economy we all seek to rehabilitate, and we feel very much that it is going to be our responsibility to discuss those matters fully in a committee of this House.

As the members may know, we have had some opportunity in the past four and a half or five weeks to discuss the budget. The Treasurer, in his opening statement tonight, invited us to join with him in a survey of the economic landscape he finds himself in some position to guide.

I was many miles away that night in mid May when the Treasurer introduced this document to the assembly and, through it, to the people of Ontario, so this provides me with my first and best opportunity thus far to comment personally and generally on the economic statement the Treasurer introduced at that time.

Because the appropriation bill that will ultimately come forward from this debate will cover a range of salaries, before I do that I want to pick up on something my friend the member for Huron-Middlesex (Mr. Riddell) introduced by way of interjection and, as I recall, the Treasurer said that it perhaps spoke to something of the nub of the issue.

I wanted to start my remarks tonight in another area by reflecting briefly—at the risk of

being sexist, I was just raising my head to see the member for Ottawa South (Mr. Bennett) waving a white purse in his right hand. It was a little distracting. I know the member for Scarborough East (Mrs. Birch) will claim it quickly. I apologize, but I was simply put off my stride.

**Hon. Mr. Bennett:** I'm glad something puts you off your stride.

**Mr. Roy:** Is the member playing around with red folders these days?

**Mr. Wrye:** The member for Ottawa South is here so his bill cannot be up tonight.

**The Acting Speaker (Mr. Cousens):** Order. The minister has arrived; we know. The member for Renfrew North may carry on.

**Mr. Conway:** It is my experience with the colourful member for Ottawa South that he forgets very little.

**Hon. Mr. Bennett:** Blue colour, blue.

**Mr. Nixon:** Sometimes black and blue.

**Hon. Mr. Bennett:** It's okay, Robert, I looked at your expenses today too.

**Mr. Nixon:** What are you suggesting? They are at least considerably more modest than yours. At least we did not supply a mansion at public expense.

**The Acting Speaker:** Order. The member who has just arrived, we know you have arrived. The member for Renfrew North would like to carry on.

**Mr. Ruston:** He just wanted to let everybody else know he's here.

**Mr. Riddell:** Why don't you go home and enjoy your new house?

**Hon. Mr. Bennett:** I enjoy every house.

**Mr. Roy:** And so did the taxpayers of Ontario.

**Mr. Cooke:** How many do you have up for sale, Claude?

**The Acting Speaker:** Order. The member has the floor and I would ask members to pay attention. He does have the floor. I would ask other members at least to give him the respect he deserves.

**9:20 p.m.**

**Mr. Conway:** I thank you, Mr. Speaker, for that doughty defence of my right to maintain the floor.

I did want to say something about the size of government and the role of government, as the Treasurer indicated, to show some leadership. I know it rankles a little for members of the government to have this subject raised and I



want to do so in full regard to the tenderness of feelings that might obtain in that respect. It has to do with the panoply of office holders we see across the way.

I am always kept up to date on this by my friend the member for Kitchener (Mr. Breithaupt), who from time to time places before me and others a list of who is who in the government. There is more to this than the private envy some of us might have, in so far as what might have been, had the results of the election been otherwise. None of us can objectively imagine that it would have or could have been otherwise. I think we all fancy the day when we might be called to that great leather table on the second floor of the east wing in this building.

I simply want to say to the Treasurer that when I see in an assembly of 125 members we have a cabinet that now takes up approximately 20 per cent of that membership—I think the last time I counted there were something like 26 ministers with portfolio and without portfolio and, of course, the so-called superministers, the provincial secretaries, and a full list of parliamentary assistants—I have to ask myself, how genuine is this government's commitment to a lean administration?

They are quick to point out what they have done to the public service and how they have cut back in the public service. I have done no study of this, but it is my rough impression that there has been an inverse relationship between the reduction in the spaces in the Ontario public service to the spaces of privilege provided to elected members of the Conservative caucus in this place.

If I felt there was a genuine commitment by those special people to discharge—

**Mr. J. M. Johnson:** Here comes the big spender.

**Mr. Conway:** I always try to entertain the good advice of the member from Mount Forest. Perhaps if he would repeat that—

**Mr. J. M. Johnson:** I said, here comes the big spender.

**Mr. Boudria:** Oh, that's me.

**Mr. Conway:** I do not think we really want to engage in a debate about the spending. I looked at the sessional paper very cursorily late this afternoon. There is an old maxim in my part of the world which is useful in this connection. It is one well known to the very thoughtful member for Wellington-Dufferin-Peel. "Let he that is without sin cast the first stone." I simply leave that discussion there. I do not wish to suggest

that is a personal comment about the accounts of the member for Wellington-Dufferin-Peel, but I did note with some real interest some accounts on some other side.

I want to say in the presence of the Chairman of Management Board (Mr. McCague), who I know struggles very valiantly to rein in the expansionist propensities of his cabinet and caucus colleagues, that it does not recommend itself too highly to us to see a government that has grown this fat in the parliamentary way—

**Mr. Nixon:** And in some other ways.

**Mr. Treleaven:** What was that about casting stones?

**Mr. Conway:** —a parliamentary government that has grown this fat. It is a real—

**Mr. Nixon:** I wanted to help you out a little bit.

**Mr. Roy:** That's our job here.

**Mr. Conway:** It is a real revelation to members of the community who are not in daily contact with this place to know that provincially in Ontario we have a Minister of Revenue. They just assumed that was part of the Treasurer's discharge and it remains so. When I tell them that we pay the member for Durham West (Mr. Ashe) approximately \$50,000 to be Minister of Revenue they are somewhat surprised. But when I tell them the member for Oriole (Mr. Williams) is paid something in the neighbourhood of \$8,000 or \$9,000 to act as his parliamentary assistant, they are verily apoplectic.

I know the member for Dufferin-Simcoe (Mr. McCague) as—

**Hon. Mr. McCague:** Do you tell them what they pay you?

**Mr. Conway:** Indeed, I do. I tell them happily and repeatedly. In fact, in response to the sunshine bill, I tell these people who have an interest in how and what we are paid that they should never accept anything less than the kind of treatment we get in the publication of our various salaries, since the Chairman of Management Board of Cabinet raises the subject.

Would that they could be so lucky to have their various accounts buried in so many different corners so it is not easy to add it all up. For the edification of the Chairman of Management Board, I regularly tell the good electors of Renfrew North that they are quite wrong in thinking that when I am paid \$10,000 tax-free dollars for my expense allowance that does not cover what they think it covers. There is another panoply of accounts into which various receipts

may from time to time be deposited, as the member for Ottawa South (Mr. Bennett) could more directly indicate.

I am in no way ashamed to indicate that they pay me probably something in the range of \$43,000 to \$48,000, and that is probably what somebody discharging that function ought to be paid, give or take a little bit. I am not being facetious when I say that.

When we have a supply bill before us that asks for this kind of multibillion-dollar appropriation, the sort of questions I have to ask myself in respect to the administration are basic and I hope understandable. For example, what does the member for Middlesex (Mr. Eaton), the Minister without Portfolio, do?

**Mr. Nixon:** Even tonight, what is he doing?

**Mr. Roy:** He is standing by his limousine—

**Mr. Conway:** I always read the provincial press with great interest, the Alliston Tribune, the London Free Press, the Ingersoll whatever. I was reading the London Free Press about two months ago and was struck by a very large and interesting article on the new Minister without Portfolio. I have always had a certain admiration for the pluck and persistence of the member for Middlesex. He has had his crosses to bear with respect to promotion. He is very candid about these in the article by John McHugh, in the London Free Press of Saturday, March 6, 1982.

I am reminded that he is obviously very proud of his new responsibility because there he is down Dorchester way with the lovely farm home in the background, a very nice limousine and a driver. I am not going to quote what he says about his additional emoluments, and I certainly will not quote what the member for Huron-Middlesex (Mr. Riddell) had to say about it all.

**Mr. Nixon:** Oh come on.

**Mr. Roy:** Come on, Let's hear it.

**Mr. Nixon:** Let's hear it. We demand to hear it.

9:30 p.m.

**Mr. Conway:** In fairness, I said I wanted to deal with this sensitive, tender question in a reasonably impartial sort of way. I do not want to engage in the kind of partisan rhetoric that upsets the equilibrium of the member for Ottawa South and others in the executive council. But I think the member for Ottawa South, who was a rising star on Ottawa city council some years ago, in my youth, will understand my interest in

and concern about the taxpayer's question, "What special benefit accrues to me as a result of this particular politician's new situation?" I know well the tradition of Ministers without Portfolio. I can recall the duties of the upwardly mobile member for Armourdale (Mr. McCaffrey) prior to his elevation to the film industry some weeks ago. But I have searched in vain for a public policy mandate that explains this particular Minister without Portfolio. God knows, I know about the chief government whip; I do not in any way quarrel with his entitlement to the without-portfolio responsibility, though I sometimes chide him about his rather expensive grey limousine.

I hear from my colleague the member for Huron-Middlesex, in the absence of the Premier's setting out a framework for the Minister without Portfolio, the member for Middlesex. It is only from members that I glean the intelligence to guide us in these matters.

I hate to say this in the presence of the Provincial Secretary for Social Development (Mrs. Birch), but I have come to a rather unfortunate conclusion. I pray I may be wrong but, on the basis of the information I have, the conclusion I have drawn is that the member for Middlesex basically has the title, the car and the driver to tear around that Grit stronghold of southwestern Ontario, acting as a political agent for the executive council and not much more than that.

**Mr. Roy:** That is entirely too harsh. That's not fair.

**Mr. Conway:** I hear the chorus of unhappiness. I am not saying the member for Middlesex is not a great member. I just say that the member for York West (Mr. Leluk), somewhat akin to the member for Middlesex, waited a long and difficult while at the door of opportunity—

**Mr. Roy:** And patiently at times.

**Mr. Conway:** Patiently and ultimately successfully.

I ask my friends in the government, in consideration of these appropriations, what is the function of the Minister without Portfolio? They can tell me if I am wrong, but what am I to make of the fact that the member for Huron-Middlesex is told by no less a luminary than the Minister of Health (Mr. Grossman), the putative Premier, that no meeting will take place in Huron county in connection with a discussion of health-related issues without its being organized by the member for Middlesex, the Minister without Portfolio? I ask the Chairman of Man-



agement Board what that sounds like but the oldest practice of base politics that we all know and appreciate.

When the Treasurer invites us to consider seriously and to carry back to the great reaches of eastern Ontario the leanness of this government vis-à-vis its public service, one of the great questions I have in my mind is this list of ministers, and especially the two categories of provincial secretary and parliamentary assistant.

It grieves me as a believer in the British parliamentary process and as one knowing something of the traditions of Westminster and, more colonially, of Ottawa, that during the post-budget period the Treasurer is unavoidably detained with other outside obligations as, presumably, we must from time to time expect of so important and busy a man.

**Mr. Watson:** Where were you for lunch?

**Mr. Conway:** I have said publicly in this House, and I will repeat for the edification of the member for Chatham-Kent, that indeed I was absent for a period of time in the spring session. It is a concept of travel that I do not expect some members to appreciate; it is called "pay your own way." I note that one of the columnists in the Ottawa Citizen today observed my absence, and that is obviously something I will have to explain to my electorate.

I simply want to say this about the matter I was drawing the members' attention to: The government would have us believe, as I know the Provincial Secretary for Social Development would want me to believe, that these are important people with important responsibilities.

I am prepared to believe that when I look at the distinguished member for Mississauga North (Mr. Jones). The member for Mississauga North has been here for the full seven years that I have been around. He has certainly played a significant role in the deliberations of the government. I well remember early press accounts that this was the rising star in the West Toronto-Mississauga crowd. And the member for York West—

**Hon. Miss Stephenson:** What is he talking about? We are on interim supply.

**Mr. Conway:** I invite the Minister of Education to draw her attention to my earlier remarks where I cited rather directly and, I hope, effectively the framework of the authorities on the ambit of opportunity with respect to the debate on interim supply.

**The Deputy Speaker:** While you are there, by the way, and just to point out a particular point—

**Mr. Roy:** Have you got a point of order?

**The Deputy Speaker:** Yes, I do, as a matter of fact.

As the Clerk so kindly brought to my attention, when you referred back to 1942 and interim supply, or supply, that was the old budget motion; it was not interim supply as we now know it in this motion.

**Mr. Conway:** Mr. Speaker, as always I appreciate that advice. It was in anticipation of that sort of direction that I tried to broaden the authorities on whom I have depended. I will simply cite again for your consideration Professors Mallory, Dawson or others.

**The Deputy Speaker:** No, that is not necessary.

**Mr. Conway:** My point for the Minister of Education is that much of this government's thrust as far as budgetary policy is concerned has been, "Listen, we deserve the credit, the approval and the votes of the people of Ontario, because we have been tough on the public service and we are as lean and fit a government as you are going to find in Canada."

That is not a surprising claim from a government, but I want to review its expansion in some areas. I want to focus attention on the parliamentary—

**Hon. Mr. McCague:** It is true, though, is it not?

**Mr. Conway:** I am certainly prepared to engage the Chairman of Management Board in a debate in that respect. But I simply want to ask why we have to have this panoply of parliamentary people. I fully understand why the Treasurer would want to have a parliamentary assistant; I think that is very understandable. But here is the rub: Why should I vote money for that office? Why should I in this place have any respect for it when, in so critical a time as the post-budget period, the opposition in the absence of the Treasurer cannot expect permission to be granted the parliamentary assistant to the Treasurer to rise in his place and speak for the government and his minister on matters that relate to his direct departmental responsibilities?

If my friends in the government want to have credibility for this rather expansive parliamentary apparatus they have built and we all pay handsomely for, then they must undertake reforms so that we do not have to see the pathetic, shameful situation where it is only by

prime ministerial nod that the poor member for Mississauga North can let loose that built-up frustration and expectation by rising in his place and giving an answer on matters he has some direct responsibility for.

**9:40 p.m.**

This is a government that has grown, in terms of ministers, just too large.

**Mr. Roy:** We are not talking about individual ministers being too large. We are just talking about the government.

**Mr. Conway:** I would not want any wrong impression to be left in that respect.

It is my view that this Treasurer would have a lot more credibility, as would the leader of the government, if there were some indication that a greater leanness of administration were effected. It is very difficult to look at this list of 70 members of the government party and to find 62 holding down some special position. That does not stand in very good stead when it comes to a consideration of this government's claim that it is very lean in its administration.

I want to touch upon some other aspects of the Treasurer's budget, and in so doing I want to begin by making reference to two Order Paper questions my colleague the member for Rainy River (Mr. T. P. Reid) drew to my attention. I want to read them into the record, because they remind us of this government's position and its breathtaking reformist view of the budgetary process. These were Order Paper questions standing in the name of the member for Rainy River.

Question 188: "Would the Treasurer please indicate how his ministry arrived at the figure of \$110 million mentioned in his 1982 budget speech as the projected revenue for this year expected as a result of the application of the retail sales tax to all prepared food and meals at the single rate of seven per cent? Would the Treasurer please table any background studies, tables, calculations and memoranda which would clarify how this estimate was made?"

This was answered by the Deputy Treasurer, Mr. Tom Campbell. "The 1982 estimate for the tax revenue from prepared food and meals was based on Statistics Canada expenditure and sales data (Cat. No. 63-536, and 63-204 and system of National Accounts, unpublished data) and on prior year tax revenues." Listen to the concluding paragraph of this answer: "In the interest of budget security, I feel it would be inappropriate to table background studies, tables,

calculations and memoranda that related to the formation of budget policy."

Question 189: "Would the Treasurer please indicate how his ministry arrived at the figure of \$230 million mentioned in his 1982 budget speech as the projected revenue for this year expected as a result of the elimination of certain exemptions from the retail sales tax? Would the Treasurer please table any background studies, tables, calculations and memoranda which would clarify how this estimate was made?"

The end of the answer to that particular question again read, "In the interest of budget security, I feel it would be inappropriate to table background studies, tables, calculations and memoranda that related to the formation of budget policy."

It is very difficult to listen to a lecture about the procedures in Ottawa—I say to the departing Chairman of Management Board that his smiling countenance and sweet reasonableness will be missed from the evening sitting, but I do realize he has other pressing obligations.

**Hon. Mr. McCague:** I will be back.

**Mr. Conway:** Those who were here during the 8-to-8:45 period heard the Treasurer. The budget speech invites us all to march to Ottawa and force upon that regime a change of budgetary procedures. We see how genuinely reformist the Ontario government is in respect of its own procedures, a cursory back of the hand: "It is none of your business. It is all secret and if you do not like it, well, there are a variety of things you presumably can do."

I would say by way of digression that the current Deputy Treasurer, Mr. Campbell, continues to play an important part in the economic and political policy making of this jurisdiction. I will always remember his intervention in committees this past winter session, where I heard more political speech-like material from a senior deputy minister of this government than I would ever expect to hear from the member for York West (Mr. Leluk) and a minister of the cabinet itself.

I will not bore the members with a recitation of my views on the politicization—

**Hon. Miss Stephenson:** If you are going to examine that, look at Ottawa first.

**Mr. Conway:** The Minister of Education, I must say, gets a gold star for her restraint in this debate and in recent days.

**Mr. Nixon:** There is steam coming out of her ears.

**Hon. Miss Stephenson:** You just wait.



**Mr. Conway:** I get the feeling that the chief government whip (Mr. Gregory) has really been cracking it over there. To see the Minister of Education as a model of restraint this past 72 hours is no small credit to her capacity.

**Hon. Miss Stephenson:** Obviously you were not here this afternoon.

**Mr. Conway:** I want to note as well, since it is relevant at this time, that one of the observations I have about the Treasurer particularly and about the administration generally in recent months has to do with the remarkably increased politicization of the administration of the affairs of state.

The Treasurer was to have been in my home town of Pembroke yesterday for the grand signing of a trilevel agreement between the government of Canada, the government of Ontario and the corporation of the city of Pembroke. For reasons I will not comment on, the ceremony was not held.

But when I hear from my friends involved at other levels in that matter, when I hear that word went out from Queen's Park that these 12 people were to be at this ceremony but there was no invitation from Ontario to the provincial member—

**Mr. Nixon:** Claude Bennett is looking after all that.

**Mr. Conway:** I want to say this about the member for Ottawa South (Mr. Bennett): As long as he remained the political minister for my area, he was an exemplar of courtesy and goodwill in these matters and showed himself to be a very decent gentleman. I know that might raise a question in the mind of some but—

**Hon. Mr. Bennett:** You have always had an invitation to everything we have put on down in your area. You took the shovel as we were putting them in your part.

**Mr. Roy:** When I want to make a speech, the minister never lets me make a speech.

**Hon. Mr. Bennett:** Albert, you always had an invitation to the senior citizens in your area.

**Mr. Roy:** Don't worry, Claude; we are saving a room for you now.

**Mr. Conway:** In this respect, I will stand in my place and agree unequivocally with the member for Ottawa South in what he said about his behaviour in my respect at least. I commend him for that. But it is somewhat surprising to see a senior member of the administration come into my community and apparently give orders that 12 of the most prominent Conservatives

were to be invited to this grand, multimillion-dollar signing.

In fact, I hear that the defeated Conservative candidate of the last contest, no less a person than the defeated Tory candidate in my riding in 1981, is to be a signing officer at this public event.

**Mr. Nixon:** On behalf of the government.

**Mr. Conway:** Presumably on behalf of the Ontario government. I ask my friend the Provincial Secretary for Social Development, how does that suit her sensibilities?

**9:50 p.m.**

**Mr. Nixon:** At least you could have sent Paul Yakabuski up there.

**Mr. Conway:** I would be very happy to have the duly elected member for Renfrew South (Mr. Yakabuski) there on behalf of the people of Ontario, because he enjoys the support of the people in his constituency.

What is one to make of that kind of administration, Mr. Speaker? The stories that I hear out of such places as Brantford, where the very assiduous and watchful parliamentary assistant to the Provincial Secretary for Social Development is, I gather, fast becoming an expert—

**Mr. Roy:** Has she got a parliamentary assistant too?

**Mr. Conway:** Yes; indeed she does.

There is a widespread consensus among the opposition that this government is certainly becoming very political in the way it does ordinary business, and I just wanted to take this opportunity to simply indicate one member's objections to that.

I will return to the budget statement of May 13, which the Treasurer invited us to reflect upon. If there is a frustration that we have in the opposition about these matters, it certainly has to do with the promise, the fulfilment of which we as Ontarians were invited to get excited about 15 months ago, and the promise of earlier years.

I have noted that in his remarks on the budget the Treasurer did not draw our attention to the fact that this year's budget was delivered at about the time that we were to be celebrating, after five years, the long-felt desire and ambition of Darcy McKeough, John White, the Treasurer and the Premier, namely, to balance the books.

My friend and colleague and mentor from Brant-Oxford-Norfolk will remember far better than I the loud protestation of many Treasurers of the 1970s that the day was fast coming and the

date most likely and most often cited for the achievement of the balanced-budget goal was 1981 or 1982.

I understand the hard times, and I note only that in terms of net cash requirements in fiscal 1982-83 we are farther than we have ever been from the realization of that promise. I ask myself, what is there about that to get happy about?

The Treasurer says in his introductory statement, "I am a natural optimist." Well, if he has become optimistic about net cash requirements of \$2.2 billion, he is indeed a changed man. I want to share with honourable members the view that we have in this respect, and that is that this government has not in this budget year lived up to that trumpeted and much-trumpeted commitment of the mid to late 1970s, which was that in 1981 or 1982 we would balance the budget.

The Treasurer says it is the role of the opposition to be negative about these things; the government has to be concerned about the creation of positive initiatives and it must oversee these in a constructive way. In this budget, and more so in the budget papers, the Ontario government of this Premier and this Treasurer in 1982 continues to be identified in the minds of many of us as one of the leading negative and oppositionist mentalities anywhere in the country. They are less and less concerned about the dialectic between government and opposition in this place and apparently very anxious to continue their crusade as the opposition to Ottawa.

I noted with some interest the budget paper that dealt with the record and challenge of fiscal federalism. I do not know who wrote that particular paper, but it represents some of the most selective writing of the history of intergovernmental relations in this century and this country that I have ever seen.

To quote from the first page of that particular paper, I note that the Treasurer says, "Ontario has a long and honourable record of supporting the powers required by the government of Canada to govern our country and to manage its economy." Well, the government of Ontario published not very long ago a very fine study of relations between Queen's Park and Ottawa in the recent period. Certainly that study, paid for by the government of Ontario, would take very sharp and clear issue with that particular statement.

I have to wonder where the promise of those earlier budgets with respect to a balanced

account by the early 1980s rests today. Believe it or not there are some fiscal conservatives, some rightwingers, I hear, in Ottawa, in Pembroke and in places in between who are still waiting for the day when that oft-repeated commitment of this provincial government will be lived up to. There is certainly no sign of it whatsoever.

When I was reflecting on the promise of this particular budget I was thinking as well what had happened to so many of the others. I did not see, for example, any commitment in this particular budget to give effect to the famous promise that the lumber economy in my part of the world is waiting for with bated breath: namely, the two trees for every one. In my part of eastern Ontario, and I know in the great county of Lanark, many people derive their livelihood from the forest sector, and the critical issue in that particular debate is that nothing is more important than the long-term and intermediate-term supply of forest sawlogs and other materials.

Many, including my lumbering relatives, were excited about the promise of 1977 that this key sector of the Ontario economy would be revitalized by the Brampton charter's famous commitment of two trees for every one. We have waited five years, and certainly there is nothing at all in this budget of May 1982 to indicate that the Premier five years later is any more interested in or any more able to give effect to the very important commitment to that vital sector.

I was interested in listening to the Treasurer tonight to hear him talk about the initiatives of his budget and the kinds of choices he made. I will give the Treasurer some credit, because one of the questions I had for him was that in his budget he offers on page 10 a rather quaint one-paragraph deduction of how he came to a very controversial decision to opt for broadening the retail sales tax base as his most likely and most available alternative. He simply says on page 10:

"A one-point increase in the retail sales tax rate would provide adequate replacement for lost federal transfers. Mr. Speaker, I have carefully considered this option and rejected it. Therefore, I have sought another option which keeps Ontario's sales tax rate at seven per cent."

In breathtaking speed we are led by the Treasurer to what he would have us believe was the only course for him to have taken and that was, of course, the one that he took.

**10 p.m.**

Those of us who are concerned about the retail sales tax base wonder—and we have not



yet heard from the Treasurer of Ontario; at least, I have not, to my mind, had an adequate explanation—how it is that the fiscal condition of Ontario in 1982 has changed so dramatically as to throw out completely the commitment made by the Honourable Darcy McKeough, who, in 1977, said it was a matter of social policy that this Conservative government in Ontario would not stoop, then or ever, to a retail sales type of tax on the essential meal.

I thought the columnist in this morning's edition of the *Globe and Mail* did some excellent work in drawing our attention—as the member for Brant-Oxford-Norfolk does regularly—to the way the sales tax was initiated in this province, some 21 years ago, by the former Treasurer, the Honourable James Allan.

**Mr. Nixon:** They called it the "Frostbite."

**Mr. Conway:** The "Frostbite," yes.

**Mr. Nixon:** Three per cent—unbelievable.

**Mr. Conway:** But it is important, in reflecting upon what this Treasurer has done in 1982, to consider it in the context of his predecessors. I have cited—

Interjections.

**The Deputy Speaker:** I must confess that members seem to be getting a little unruly. At least, they are talking awfully loudly.

**Mr. Nixon:** They are not paying enough attention.

**The Deputy Speaker:** So let us tone it down a little bit.

Interjections.

**The Deputy Speaker:** The member for Renfrew North.

**Mr. Conway:** Mr. Speaker, I know the Minister of Education is anxious to participate in this debate because she is reputed to be one of the real powers in the executive council.

One of the issues that must be addressed by this government and by this Treasurer has to be: What has changed so dramatically to render void Darcy McKeough's commitment of five years ago that this was a great province with great promise, and certainly there would not be, in his day, a tax on the essential meal that is now being taxed, because, as Mr. McKeough said on that occasion, "There is social justice in Ontario"? He felt, and in our view properly so, that there would be an exemption provided in that respect for ever and a day.

I want to go back not just to Mr. McKeough but to Mr. Allan who, in 1961, introduced the famous three per cent provincial sales tax—the

"Frostbite" as it was called. Quoting from Mr. Allan at that time:

"The sales tax is a tax on income when it is spent. It does not deter willingness to work and save, which in a young country such as Canada is of great importance. The fact that exemptions under the Ontario plan are very broad relieves the tax of regressive features. Certainly the tax is widely employed, being used by eight of the provinces and most of the states of the American union."

As Mr. French ably pointed out in his column of this morning, Treasurer Allan went on to say: "By exempting food, fuel, rent, children's clothing, books, school supplies and medical expenses, we have avoided taxing most of the items that represent the greatest expense to families with small budgets."

From those references to Mr. Allan, who introduced the tax 21 years ago, and when one reflects upon the statements of the Treasurer of the day but five years ago, one gets a fairly good idea of the social context in which the sales tax was to have applied.

I must say to the Treasurer that I have yet to hear from him how the Treasury of Ontario is today so changed, as are conditions for the working poor, the elderly, those low-income people who are now going to be subjected to a tax on something that was long exempt for the good and honourable reasons that have been identified. I find it paradoxical and distasteful that those of us who are on expense accounts can now go to the finer eating establishments in this community and have a de luxe dinner and, in effect, benefit by a three per cent reduction, while old people on fixed incomes now find that a cafeteria meal that remained exempt for 21 years is going to be hit in a way that really reinforces the truly regressive qualities of this particular measure.

Certainly, the impact it is going to have on all sectors of the Ontario economy has been drawn to the attention of the members in the past few days. In my own constituency I had a very hard-working, very successful automotive dealer tell me that, as a result of this one measure, two additional employees he was prepared to hire are now not going to be hired for a while, if ever, because he has experienced such a strong local and negative reaction to the application of the seven per cent sales tax to repairs done to automobiles.

In that one specific instance in my constituency a very respectable, responsible, hard-working, small businessman has taken time out

to phone and to write me and say that, as a result of that particular measure, two people in my county will not be hired for positions that prior to May 13 were considered, but are now not going to be put into place because of the uncertainty and strong negative reaction that the Treasurer has created by virtue of this particular initiative.

As well, I might add that a number of automotive dealers in my part of the world, garage operators, have indicated that seven per cent on the bill is going to mean a change in the pattern of repairs. People who cannot afford much more by way of tax are going to make their own arrangements and, as a result of the application of seven per cent on automotive repairs, we are going to see less safe vehicles on the road, because there are going to be more home repairs done by less qualified people.

**An hon. member:** Ya, ya.

**Mr. Conway:** That appears to have excited the not inconsiderable enthusiasm of the member for Timiskaming (Mr. Havrot). It may be that he wishes to correct the record. All I do as the member for Renfrew North is come here and report what hard-working, small businessmen in that sector have indicated to me is a likely response to that particular tax initiative. It may be that in his part of the province conditions are very different. I do not intend to speak to anything more than the representations that have come to me in this respect.

**Mr. Havrot:** A lot of rhetoric, and no fact.

**Mr. Conway:** I think it would be very unfortunate if, as a result of this particular tax policy, that kind of change took place and the safety of our highways was lessened somewhat.

I want, as well, to talk about one other aspect of government spending that has occupied the attention of members on earlier occasions. I know that this nettles members of the government. I know that it must be a particular hardship for the Treasurer because this government has sought to cloak itself in layers of self-credit for its leadership in economy. It has, over the period of my time as a member—certainly thinking back to the famous Maxwell Henderson report—really tried to rein in expenditures and to convey to all and sundry that we are going to have to do more with relatively less.

**10:10 p.m.**

In some respects, there were many in the community, particularly on school boards, on hospital boards and at municipal council levels, where the friends of this government are not

inconsiderable, who were prepared to believe that and who, by the time of this latest recession, were prepared to say: "Yes, Queen's Park really does have a tightened situation. Revenues are down because of the continuing sluggish economic environment and expenditures continue to rise. We do feel sorry for the Treasurer, whose job must get tougher by the week."

All that capital of goodwill vanished one day about six or seven months ago when, standing in his place, no less a person than the leader of the government said, "We have this day, through the Ontario Ministry of Energy, through its wholly owned subsidiary the Ontario Energy Corp., taken a 25 per cent position representing a commitment of something in the neighbourhood of \$625 million Canadian in Suncor."

I do not want to get into the energy aspect of that debate which is an issue for another time. I have to say to the Treasurer, who seeks to give himself and his government credit for tough decisions and consistency in these matters, that was a profligate digression that has cost him dearly. He tells people it is very difficult trying to make expenditures match revenues. Let me restate the now rather shop-worn phrase that Suncor does not speak to a very high priority for economy in this recession-ridden province and with this recession-burdened government.

There are not many people out there now who find that, as their puppies, their personal hygienic products and their school supplies are being taxed, and as a host of other daily necessities are being taxed for the raising of something in the neighbourhood of \$340 million, this \$625 million, 25 per cent position in Suncor is a wise expenditure.

I have to say to the Treasurer, buried deeply as he is in the late edition of the *Toronto Star*, his position both economically and morally on this matter is seriously undercut by the Suncor commitment. How and why should anyone in the province believe he has a serious commitment to holding the line on expenditures, particularly in the nonsocial policy envelope, if we get these kinds of announcements without any indication?

One of the specific questions I have for the Treasurer is, what kind of personal involvement does he have with the Ontario Energy Corp. and its dynamic, colourful chairman? I would like to believe that as the puppies, the toothpaste, the candies and the school pencils are being taxed now in this province, you, Frank Miller, are keeping a watchful eye on the ambitious empire-building, rather independent—



**The Acting Speaker:** Please refer to the honourable members by their titles.

**Mr. Conway:** I am sorry, Mr. Speaker. I did not hear what you said.

**The Acting Speaker:** Refer to other members by their titles or by their ridings.

**Mr. Conway:** I appreciate that and I will—

**Mr. Roy:** Mr. Speaker, on a point of order: I think the Minister of Education should be made to pay attention to such important things.

**The Acting Speaker:** That is not a point of order.

**Mr. Roy:** I think it is disturbing to my colleague from Renfrew—

**The Acting Speaker:** The honourable minister is not disturbing anybody.

**Mr. Roy:** —to see only the back of the Minister of Education.

**Hon. Miss Stephenson:** It is unusual to see you on a Tuesday in the Legislature.

**The Acting Speaker:** The member for Renfrew North may continue.

**Mr. Conway:** I appreciate what you have had to say, Mr. Speaker. I would like to have a private, if not a public, commitment from this Treasurer, a man who, as the principal proponent of economic policy in the Ontario government, is the chief architect of this budgetary policy. He is still carrying both the public and private bruises of having lost internally in the very select company of two or three others who were privy to the decision to take the position with Suncor.

I would like to know that this Treasurer is undertaking a vigorous and vigilant watch of the activities of the Ontario Energy Corp. My experience with the chairman of that corporation is that, alone, he is capable of propelling this government into far greater and more exotic and more questionable expenditures than Suncor.

I would like to think the Treasurer, with the able assistance of the Chairman of Management Board, would try to do what apparently no other Tory minister, including the Premier himself, has been able to do in 11 years and that is put a rein and a rope of responsibility in these recessionary times on one Malcolm Rowan. I would feel very content if I could—

**Mr. Nixon:** The Treasurer agrees with that all right.

**The Acting Speaker:** Order. The member for Renfrew North has the floor.

**Mr. Havrot:** Just check the records here for the last year. They are the biggest spenders in the House.

**Mr. Conway:** I say to the member for Timiskaming that when it comes to comparing expenses I am a very parochial person and I look only at the comparative figures for north and south Renfrew.

**Mr. Havrot:** That is just about the scope of your mentality.

**Mr. Conway:** It was drawn to my attention that there are other areas where this government has a certain sensitivity and in his introductory remarks the Treasurer drew our attention to it, with that famous smile of his. He invited members of the opposition to join with him as he recited those sectors that he did not tax.

It is an interesting list. He will correct me, or he will complete the list at another time, but I will quickly recite two or three of the categories. He said he did not tax radio, television or newspapers.

**Mr. Bradley:** We all know why.

**Mr. Conway:** My friend from St. Catharines is dead on, as he usually is. We do know why.

**Hon. Miss Stephenson:** No, just dead.

**Mr. Conway:** Indeed, this government would be very loath to destabilize the radio, the television and the newspaper. That reminds me of another article which I read in the provincial press, a very fine newspaper in the home of the Minister of Labour (Mr. Ramsay), the famous Sault Ste. Marie Star.

I want to read from Mr. Eric Dowd's column of May 22, 1982, under the headline, "Frank Miller's Big Myth: He Cuts Fat from Government." I do not intend to read it all, but I will read some of it. "The biggest myth in Ontario Treasurer Frank Miller's budget is that he cuts all the fat out of government."

I know the Treasurer has certain sceptical reactions to my earlier comments about my views of the fat remaining in the parliamentary part of this government, but certainly Mr. Dowd draws our attention to other aspects of expansion within the government of Ontario, and it also relates to the matters of radio, television and newspapers.

**10:20 p.m.**

Going on, "Mr. Miller boasted that the province has reduced its employees by six per cent from 87,109 to 81,826 since 1975, and one Ontario public servant now serves 106 residents

compared to 94 seven years ago." Mr. Dowd goes on to talk about one little part of Ontario government operations that has not shown anything but a joyful expansion. Members might have guessed what it is. My friend the member for Ottawa East might guess that it was nothing other than the information officers of the executive council and the various departments of the Ontario government. I did not realize and I know—

**Hon. Miss Stephenson:** There has been a reduction in ours.

**Mr. Conway:** Indeed there might have been, but I was stunned to find out—

**Hon. Miss Stephenson:** That is a permanent state with you.

**Mr. Roy:** There would be a reduction in a nonelection year only. In the election year there was an increase.

**Hon. Miss Stephenson:** Not in our ministry.

**The Acting Speaker:** Order.

**Mr. Conway:** Are members aware that there are 42 information officers in the Ministry of Northern Affairs? The member for Sudbury East (Mr. Martel) will know from a more direct and regular experience with Governor Bernier that his empire is imperial and, I hear, can be very political.

I have to ask the sometimes dour Chairman of Management Board how he can authorize the expenditure of public funds, which we are invited to approve here tonight in interim supply, part of which is going to go to the employment of 42 information officers, not in the entire government of Ontario, not in the entire Provincial Secretariat for Resources Development, not in large ministries like Health or Education, but to 42 information officers under the control of Governor Bernier and the Ministry of Northern Affairs?

I ask the Treasurer and the Chairman of Management Board what kind of special leanness that speaks to.

**Hon. Miss Stephenson:** He spends his time in China, but he cannot go north.

**The Acting Speaker:** Order. I say to the member for Renfrew North, do not allow yourself to be distracted by these interjections.

**Mr. Conway:** Mr. Speaker, I am excited to be able to tell the Minister of Education and the Chairman of Management Board that for purposes of the Legislative Assembly Act I am no less than a northern member. Not only do I know—

Interjection.

**Mr. Conway:** I am simply saying that for purposes of the Legislative Assembly Act I am a northern member. For purposes of some of the Minister of Education's own travel programs I am, and my entire county is a northern region. I am very happy to inform the minister of that particular finding.

I am not going to read on in Mr. Dowd's column, but I have to say to the Treasurer that does not speak to a leanness or a very good internal operation in so far as that sector is concerned.

I never cease to be amazed. The chief government whip, whom I sometimes—

**Hon. Mr. Gregory:** I was not referring to you, I was referring to the member for Prescott-Russell (Mr. Boudria).

**Mr. Conway:** You caught my eye. In the absence of the leader of the government in the House, I have a certain sympathy and sensitivity for the sometimes beleaguered chief government whip. I just wanted to say that I thought of Ontario very little when I was in China, but I did think of the chief government whip. I want to tell him why, very briefly, because it relates to this debate.

Interjection.

**Mr. Conway:** Actually that is very good and Bahrain is only halfway.

**The Acting Speaker:** Please tie your remarks into the debate.

**Mr. Conway:** In the dictatorship of the proletariat in China, there is one obvious indication that some people are more equal than others. It hits one right away upon deplaning at Capital Airport in Peking. The immediate question is, who rides in the back of those beautiful, big, black Shanghai sedans with the curtains drawn all around? There are cars for no Chinese save and except that special class of people, the cadres, the senior officials in the Chinese Communist Party.

The moment I saw that big, black Shanghai sedan with the nice lace curtains and a very important cadre sitting in the back, my mind wandered 8,000 miles back to the main entrance of the Sutton Place Hotel where at that very instant I thought the steel grey limousine without curtains would be attending upon no less a personage than the chief government whip.

I am sorry the Treasurer has left, because I wanted to conclude tonight with a reference to that part of his budget dealing with the whole question of restraint in the public sector.



**Hon. Mr. Gregory:** You should have got Don Boudria a car. It would have been cheaper.

**Mr. Roy:** Look at the members who don't even use a car.

**Mr. Riddell:** How many salaries are you getting, Bud? You want to talk about his expenses? Let's talk about yourself.

**Mr. Boudria:** I don't apologize for serving my constituents.

**Mr. Riddell:** And his hand does not shake when he gets his pay cheque.

**The Acting Speaker:** Order.

**Mr. Conway:** I am surprised that the sessional paper tabled late this afternoon has excited so many members to a public statement of view on that subject.

I was particularly struck by the statement on page 19 of the Treasurer's budget which said, "Without any question, we expect that people who derive an income from the public purse, directly or otherwise, will be forced to account for their salary and benefits if that salary and attached benefits put them at the \$30,000-or-over category."

I could not be happier when I read about some of the arrangements that were struck in Metropolitan Toronto for those school directors. I was astonished and I certainly would be happy to accede entirely to that request.

I have to say to my friends in the Conservative Party, why should anyone on a school board in Brampton, Peel, Scarborough or Dufferin pay any attention to that direction when no less a Tory and public servant than Kirk Foley paraded before the standing committee on public accounts last week and said, "Frank Miller can take his sunshine requirement and..." We have an expression in Pembroke that I will not use, but certainly Mr. Kirk Foley is not going to feel any pressure that the Treasurer or the Chairman of

Management Board might like to put upon him to reveal his public salary.

If the government of Ontario and the chief government whip expect business people, school trustees or anyone else in south Peel to believe they mean something in this respect—and they enjoy my support; they will get no quarrel from me about what they intend to do—they had better get their agents and political cronies. I cannot think of one more suited to either title than Mr. Kirk Foley. They had better make sure he never parades before the public accounts committee of this assembly again and says, "To hell with you, I will not reveal my salary," the Treasurer and the Chairman of Management Board notwithstanding.

If they allow that back-of-the-hand dismissal of this important aspect of their budgetary and economic policy to stand, then in my view they completely surrender any position of authority they might have with those agencies, boards and commissions that are not directly under their control in the public sector in this great and wonderful province of Ontario.

**Mr. Gillies:** Kirk Foley has generated more wealth in the last year in this province than the Liberal Party ever has.

**The Acting Speaker:** Order. The honourable member is reaching the magic hour.

**Mr. Conway:** Mr. Speaker, I note you have drawn my attention to the hour of adjournment and lest the member for Brantford (Mr. Gillies), who I know has ministerial ambitions, should continue to misspeak himself from the Treasury bench, I will certainly surrender the floor but reserve the opportunity to continue at another time.

On motion by Mr. Conway, the debate was adjourned.

The House adjourned at 10:30 p.m.

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Ontario, LEGISLATIVE ASSEMBLY

No. 77

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Thursday, June 17, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Thursday, June 17, 1982

The House met at 2 p.m.

Prayers.

## TV CAMERAS IN ASSEMBLY

**Mr. T. P. Reid:** Mr. Speaker, before the orders of the day, I would like to rise on a point of order that has, in fact, two points to it. One is that I would first like to apologize to—

**Mr. R. F. Johnston:** Be clear about who it is you are going to apologize to first.

**Mr. McClellan:** Apologize to everybody.

**Mr. R. F. Johnston:** Make it everybody; then you won't miss anybody.

**Hon. Mr. Timbrell:** We accept.

**Mr. T. P. Reid:** Mr. Speaker, now that I have everybody's attention, I would like to apologize to Robert Fleming, the administrator of the building, for remarks I made in regard to him during the debate over whether we should allow a television camera to remain in the House while the member for High Park-Swansea (Mr. Shymko) was speaking.

I have since checked the record and found that apparently it was the policy of your predecessor, I believe, to delegate the authority to Mr. Fleming to allow cameras into the House when individuals were speaking. I gather that that fount of sometimes ill-informed wisdom, the Board of Internal Economy, has supported that suggestion as well.

First, Mr. Speaker, I want to apologize to Mr. Fleming for the remarks I made in regard to him; they were unwarranted and unfair, and I categorically withdraw them.

Second, I suggest to you that it should not be up to the Board of Internal Economy to decide a matter such as this; you as Speaker have absolute jurisdiction within the precincts of this assembly and the authority should come directly only from you in these matters.

**Mr. McClellan:** Mr. Speaker, I would like to speak very briefly to the same point of order. I hope, sir, that as you review this matter, you and the rest of the members of the assembly will be able to move towards a fairer and more equitable policy with respect to televising the proceedings of the assembly.

The concern raised during private members'

hour, to which my colleague the member for Rainy River (Mr. T. P. Reid) was referring, had to do with the fact that the camera was in a position such that it could record only the participation of a single member in the debate. Most of us, certainly most of those on this side of the House, hope we will be able to move towards the kind of system that exists in Ottawa in which the televised proceedings are part of an electronic Hansard, which guarantees fair coverage and equal access to the electronic Hansard to each and every member who participates in debate.

**Mr. Speaker:** Thank you very much, and I thank the member for Rainy River for his remarks.

Just for the information of all honourable members, the matter that was raised by the member for Rainy River does not fall within the jurisdiction or authority of the Board of Internal Economy; it is a responsibility that belongs to the Speaker. That has been firmly established. Guidelines have been established and I am sure there will be further announcements made as we proceed.

## MINERAL WATER

**Hon. Mr. Timbrell:** Mr. Speaker, as a matter of interest or as a point of order, I would like to point out to members that the Ministry of Agriculture and Food has provided for each of the members today a glass of a new product available on the market. It comes from an Ontario firm, which I believe is in the riding of the member for Huron-Bruce (Mr. Elston), and takes its place among the many fine products serving the Ontario market and, we hope, the export market as well. We also hope the members will try it, enjoy it and buy it.

**Mr. Speaker:** On behalf of all honourable members, I would like to thank you for your generosity. However, I point out that it seems there is discrimination being practised; I hope the proper people will take note that I do not seem to have any.

**Mr. Elston:** Mr. Speaker, I rise on the same point of order made by the Minister of Agriculture and Food (Mr. Timbrell) to confirm that this

fine product is indeed produced in the riding of Huron-Bruce, in the famous hamlet of Formosa in the county of Bruce.

**Mr. Speaker:** I still do not have any, but I do have a lunch that was delivered. I thank the appropriate people for that.

#### VISITOR

**Mr. Speaker:** I ask all members of the assembly to join with me in recognizing and welcoming, in the Speaker's gallery, Senator Norma L. Daniels of the 31st district of the state of Kansas, United States of America, and her husband, Dr. Robert M. Daniels.

**Mr. Speaker:** The member for Windsor-Walkerville—I am sorry, Windsor-Riverside.

**Mr. Cooke:** Mr. Speaker, I do not know what you have against Windsor-Riverside.

On behalf of both the opposition parties, I would like to thank the Treasurer (Mr. F. S. Miller) for showing up in the Ontario Legislature today when we know he had other plans scheduled for today. But we hope his respect for the Legislature will start today and continue—

**Mr. Speaker:** Order. Will the member resume his seat, please?

#### STATEMENT BY THE MINISTRY

##### CANADA WEEK

**Hon. Mr. McCaffrey:** Mr. Speaker, in the absence of our colleague the Minister of Intergovernmental Affairs (Mr. Wells), I want to make a statement, which is fairly lengthy, about our July 1 celebrations here. I am sure members will be happy to know that our colleague is in fine shape and is progressing very well indeed. In fact, he will be with us for the July 1 celebrations.

I wish to inform members of the House of some very special happenings planned during the celebration of Canada Week at the end of June, encompassing July 1. These events are very special this year because this is the first celebration of Confederation since the patriation of our Constitution.

**2:10 p.m.**

We are making this announcement now so that members may make their plans to join in the celebrations here at Queen's Park or in their home constituencies around the province. Other events will be highlighted as we get closer to July 1, our 115th birthday.

On Thursday, July 1, we will again be holding a giant family picnic here at Queen's Park on the

lawns of the Legislative Building and the Frost Building. The event will bring together thousands of residents of Ontario and the many cultures they represent. Master of ceremonies will be television star Bruno Gerussi. Along with our traditional five-cent hot dogs and 10-cent ice cream, there will be special entertainment that should appeal to all ages.

The program gets under way at 10 a.m., with the official ceremony beginning at 11:30. As part of the celebration, His Honour the Lieutenant Governor will introduce the outstanding Ontario citizens who have been honoured with receiving the Ontario Medal for Good Citizenship this year. At noon all those in the park will be asked to join in the singing of O Canada, while 115 balloons will be released and there will be a 21-gun salute.

Canada Week and the July 1 celebrations are not limited to Queen's Park. Throughout our province, Ontarians will find a multitude of organized events to mark this birthday celebration. At Ontario Place on Toronto's waterfront the program on July 1 will feature the group Sharon, Lois and Bram, of special interest to children, at 3 p.m., and the Toronto Symphony with guest artist Hagood Hardy at 8 p.m. The day there will be topped off with a huge fireworks display at 9:45 in the evening.

Also at Ontario Place the province is looking to establish a permanent display that will recognize the patriation of our Constitution and the part Ontario played in it. Plans are under way for the construction of the Constitution Circle at the centre entrance of Ontario Place, which will feature a bronze reproduction of the proclamation signed by Her Majesty the Queen of Canada on April 17 while taking part in the historic occasion in Ottawa.

During Canada Week, in places such as Sarnia, London, Cobourg, Niagara, Hamilton, Dresden, Forest, Port Stanley and Cornwall, there will be parades, band concerts, arts and crafts shows, fireworks and ethnic festivals, all in celebration of this great country, Canada.

On July 1, at Old Fort Henry in Kingston, there will be a military ceremony originally performed by the British army to celebrate great occasions. This celebration is a salute to the Dominion of Canada, and the procedure comes right out of the drill book used by the troops stationed at that fort in 1867.

This spectacular drill gets under way at 3 p.m. and, as a special part of this year's celebration, which is the 150th year for the fort, the new Garrison Theatre in the fort will hold its official



opening at 7 p.m. The play that will be performed at that opening and during all of July is a Canadian one, "1837—The Farmers' Revolt," by playwright Rick Salutin.

If honourable members would like to get the feel of Canada 115 years ago, they may visit Upper Canada Village in Morrisburg, where life goes on in the style of 1867; or, if they find themselves in the nation's capital, they may join in the birthday celebrations planned for Parliament Hill.

Members should know that Ontario has not forgotten the original merchants who travelled this great province. At Old Fort William in Thunder Bay there will be a re-creation of the so-called Rendezvous held for the voyageurs of the old North West Co. when they arrived for the annual company meeting at the lakehead. There will be food and cider, and everyone will be invited to participate in singalongs and friendship dances. July 1 is the first day of the Great Rendezvous Pageant.

Members are also aware, I am sure, of the group that is paddling the centuries in Destination Sainte-Marie. In 1648, 25 Frenchmen, accompanied by some 200 Huron Indians, paddled the 1,250 kilometres separating Quebec City and Sainte-Marie, just outside Midland. It was the last flotilla to reach the mission before the Jesuits departed the following year.

On June 1 this year, 16 men, each of whom has assumed the identity of one of the original group, started out from Quebec City to travel the same water routes in four canoes as an intrepid historical re-enactment of this 17th-century voyage. By July 1, it is expected the voyageurs will be in North Bay and will take part in that community's birthday celebrations. It is expected that travellers will reach Sainte-Marie about July 10.

These are some of the planned events. Members should also be aware that children visiting any of Ontario's provincial parks on July 1 will receive miniature Canadian flags as part of our birthday celebration.

I again want to emphasize that we feel this is a very special party this year for Canada as our country celebrates its birthday for the first time since the proclamation of our Constitution. Therefore, I invite all members to attend the special celebrations and to mark this important birthday as our province celebrates its participation in the great community of Canada.

#### VISITOR

**Mr. Speaker:** Before proceeding, it has just

been brought to my attention that we have another distinguished visitor in the Speaker's gallery. I ask all members of the assembly to join me in welcoming Shirley McLaughlin, the leader of the Liberal Party of British Columbia.

#### ORAL QUESTIONS

##### TAX ON MEALS

**Mr. Peterson:** Mr. Speaker, I have a question for the Treasurer which was suggested to me by Mr. Fran Deck, who is also in the gallery today. He is the owner of Fran Restaurants Ltd. He has been experiencing some difficulty with the budget and is expressing that in the most visible way he can. He now has on his menu the "Frank Miller no-tax special," which is "a conservative amount of peanut butter served barefaced on a soda cracker for 20 cents." I would like to send this to the Treasurer in case his staff gobbled his up along the way.

Over the years, Mr. Deck has generally hired 20 to 30 students every year to work in his restaurants during the summer. Now, because of the Treasurer's tax, he anticipates that there will be a decrease in business of some 10 to 20 per cent and that he will be hiring no summer students this year. My question is this: Is that the desired effect of the Treasurer's imposition of these new taxes, that no students will be hired this summer?

**Hon. F. S. Miller:** Mr. Speaker, first, I want the pages to come and put them all on the desk of the member for Brant-Oxford-Norfolk (Mr. Nixon), because I know he cannot afford food for his daughter's wedding this Saturday. I would like these all returned to the member. If he will put them into a freezer and warm them up in a microwave oven on Saturday, the people will finally get something from him.

**Mr. Nixon:** This is the first time I have received anything from the Treasurer or his caucus.

**Hon. F. S. Miller:** I understand the wedding is a union of two parties.

I do not know whether Mr. Deck, the donor of all this, recalls that he used to stay at one of my lodges years ago. It is called Pinelands. He was a guest there for many years although, as I recall, he cooked his own food while he was there.

I am intrigued by the assumption of an astute businessman, and I know this gentleman is that, that his business is falling off that quickly three days after a tax has been imposed. Taxes have

been imposed on many items in this province over the past few years. One has not seen the decline in business that is being predicted by some people. Sometimes one can have self-fulfilling prophecies, of course, and the fact that one makes a big show about these things can make one's customers wonder whether they can afford to come to one's place of business any more.

I also wonder whether the restaurant association recalls that for three years there was no tax on the purchase of all equipment by restaurants to allow them to expand. Unless the profits of a restaurant are in excess of \$200,000 this year, it will not have to pay any Ontario corporate tax.

2:20 p.m.

**Mr. Peterson:** Mr. Speaker, I have another present; they seem to be arriving in droves these days. This is a giant cookie in the shape of a dollar sign. I would like to consume it myself. It says, "The seven per cent tax takes a big bite out." Perhaps this can be given to the Treasurer, because I think he would like that too.

This is from the establishment called Treats, a chain operation, and the Treasurer may be interested in it. They have some outlets that are classified as bakeries and some that are classified as eating establishments. The outlets classified as bakeries do not charge tax on their products, while the eating establishments do charge tax.

But let me tell the Treasurer how his officials are asking them to impose that tax. I want to know whether he approves of this method of collecting tax. If a person buys one muffin, it is considered take-out food and he must pay tax on it; if a person buys more than one muffin, it is considered a take-home item for a family and is not taxed. If a person buys one cookie it is not taxed, because it costs less than 20 cents; if a person buys two to five cookies, they are taxable; but if a person buys six or more cookies, they are considered a take-home item for a family and therefore not taxable.

Does the Treasurer realize that the staff of this organization is in complete turmoil trying to explain the provisions of his new budget to people who walk in? As they explain the various rules that apply to one or three or five or six cookies, things are so screwed up because of the budget that customers are saying, "Just give me anything that is not taxable."

Does the Treasurer really understand how he has screwed this thing up? And why will he not let us take it to a committee at least to help him iron out the mistakes he has created?

**Hon. F. S. Miller:** Mr. Speaker, I am impressed by the language the member uses in front of the students.

**Mr. R. F. Johnston:** Oh, don't be sanctimonious.

**Hon. Mr. Davis:** They don't use that word in St. George.

**Mr. T. P. Reid:** The Treasurer's comment is almost as stupid as his budget.

**Hon. F. S. Miller:** I will visit the member's home some day and see if he likes me talking like that in front of his little daughter.

**Mr. T. P. Reid:** How about Elgie and what he said at the human rights commission?

**Mr. Speaker:** Order.

**Mr. T. P. Reid:** Don't get into that kind of crap. It doesn't become you. You're really scraping the bottom of the barrel.

**Mr. Speaker:** Order.

**Mr. T. P. Reid:** You don't usually sink that low. Don't start now.

**Hon. F. S. Miller:** I—

**Mr. Speaker:** Order. The Treasurer will just address himself to the question and forget the interjections.

**Hon. F. S. Miller:** Mr. Speaker, I have answered enough on that one.

**Mr. Peterson:** You haven't answered at all. It's a very serious question. Don't give us a grade-B Johnny Carson routine. What's the matter with you?

**Mr. T. P. Reid:** First you don't show up and now you don't answer.

**Mr. Speaker:** Order. The member for Oshawa with a supplementary.

**Mr. Breagh:** Mr. Speaker, since many of us are confused, both those who are observing and those who are attempting to collect the tax, which is not yet law, how does the Treasurer collect that tax when section 5(3) of the Ontario Regulations Act says, "A regulation that is not published is not effective against a person who has not had actual notice of it"?

On what legal or moral basis is the Treasurer now giving out this information and requiring vendors in Ontario to collect a tax for him when his own Regulations Act states very clearly that they must have been given actual notice and that the regulation must have been published? How is he doing that?

**Hon. F. S. Miller:** Mr. Speaker, I can go into the legal precedents if the member wishes, and they are there. Generally speaking, a tax takes



effect on the day of the budget, and obviously the regulations are not in place on the day of the budget.

When we come to issues of taxes that will require new collectors or new types of items, as some of the ones on food did, we usually give a period of time for that notice to be given. I suggest to the honourable member that the very evidence before us today tells him that people know about it. If he is trying to tell me that people do not know about the tax, then I find his case lost.

On the other hand, the precedents in law say that the additions to tax will apply in the same way that cheques should go out. The member for Port Arthur (Mr. Foulds) asked the other day whether we should be remitting cheques for people who have cheques coming to them. That was a fair question, and I said I would check on it, but I have to agree with him that the cheques should go out in the same way that the taxes will apply. I sought a legal opinion on that too, and it confirms the member's point; therefore, the cheques will go out without evidence of the legislation having been passed.

The regulations proposed by my colleague the Minister of Revenue (Mr. Ashe) can be explained in greater detail by him since he writes them. But we often run into regulations that are not too practical, and we try to oppose them; that is exactly what we want to discuss. If there are the kinds of items which the Leader of the Opposition talks about, ones that appear to be foolish or inconsistent, we are very willing to discuss what seem to be conflicts or absurd facts.

**Mr. Peterson:** Does the Treasurer understand what he is doing to some independent restaurants and businesses in this province?

For example, the Rendez-Vous Restaurant, a steak house in St. Thomas, normally sells 100 take-out coffees per day; that has dropped to 50 per day since the budget. Tuesday night is a big night for senior citizens from a nearby old age home; usually there are at least 12 of those people at the restaurant. Last Tuesday night, for the first time in its history, there was no one in the restaurant.

That restaurant employs 11 full-time people and three part-time people. With business down 30 to 35 per cent since the tax went into effect on June 14, three full-time employees will be laid off.

And what about the Green Lantern Restaurant in St. Thomas? Sales of their take-out lunches and coffees have been reduced by half

since June 14, and there has been a drop in business of at least 40 per cent. One or two employees will be laid off within the next two weeks.

Does the Treasurer understand what he is doing to these businesses?

**Hon. F. S. Miller:** I would point out that automobile sales have been cut in half in the last two weeks, compared with normal rates. In all honesty, I am not able to equate changes in buyers' habits but, having spent some time in retailing, I suggest that three days do not a season make; let us have some time.

For example, I have suggested to the coffee-truck operators that I will be glad to see them in a month, and I suggest to the restaurateurs that I will be glad to see them. In fact, at my request, the Ontario Restaurant and Foodservices Association, the Hotel Association of Metropolitan Toronto and Tourism Ontario will come to see me some day next week.

As the Leader of the Opposition (Mr. Peterson) knows, there is no unanimity on this. Let me read a letter I received today from a hotel in Toronto; it is not the biggest one—

**Mr. Bradley:** Is that an answer to his question?

**Hon. F. S. Miller:** I am trying to point out that one does not just tell trends in three days. It is as simple as that, I say to the member for St. Catharines.

The letter says: "Let me congratulate you on your initiative on the June 14 budget." That is the same date that the Leader of the Opposition just gave me. "I respectfully ask you to completely disregard advertisements and pressures being exerted against the seven per cent tax on all meals. We feel that it is an equitable tax and support it 100 per cent." The writer goes on to say that he would like the tax to be seven per cent on liquor too, because he sells liquor as well, but he realizes that is not the case.

That letter is signed by the vice-president of the Hotel Association of Metropolitan Toronto.

**Mr. Peterson:** The Treasurer's strategy is to divide and conquer. That is why he wants to meet with the Ontario Restaurant and Foodservices Association and the Hotel Association of Metropolitan Toronto together; so he can walk out, smiling, and say, "Even the associations do not agree."

The Treasurer should meet with them individually. He should meet with Mr. Deck and listen to what a real businessman will say about what the budget has done. The Treasurer does

not understand. He should meet with them and listen to them, and not play this petty game of trying to divide the opposition.

**Mr. Speaker:** Order. A new question, please.

**Mr. Peterson:** Do you not agree that was a good comment I just made, Mr. Speaker?

Let me ask the Treasurer another question. In response to a question on June 11, the Treasurer said that he would change the budget only if it can be demonstrated that he had inadvertently taxed groups he did not mean to tax or if he had made a wrong appraisal of the impact of the taxes.

We phoned Mr. Don Black of the ministry to ask how much revenue he would lose as a result of lowering the sales tax from 10 per cent to seven per cent at places like La Scala and Winston's. He said there would be a loss in revenue of \$19 million. We phoned the retail sales tax branch of the Ministry of Revenue and were told the loss would be \$25 million.

We asked Treasury how much they collected on meals in 1981 and they said \$65 million. In response to the same question, the Revenue people said it was \$84 million.

Would the Treasurer not agree with me that when his ministry people do not even understand the figures, he has the obligation at least to submit it to the independent scrutiny of a committee so we can avoid some of these problems members will be bringing up for the rest of his life if we do not get into a committee and clean it up?

**2:30 p.m.**

**Hon. F. S. Miller:** Mr. Speaker, I do not know how many times I have to say to the Leader of the Opposition that the power to send that to committee is in his hands and he has acknowledged that.

**Mr. J. A. Reed:** No, it is in your hands.

**Hon. F. S. Miller:** Is it or is it not? Mr. Speaker, I would be glad to read the standing order—

**Mr. Roy:** Will you allow witnesses to come in?

**Hon. F. S. Miller:** They do not want me to read the standing order. The fact remains that they have that power. Do they acknowledge that they have that power?

I know I cannot ask questions but it is not really a fair deal. Either the member should acknowledge that he knows that or he should not be the Leader of the Opposition because that is one of the standing rules of this House under which he works. If he does not under-

stand he has that right, then he does not understand how this House works. He does have that right. He gave me a phoney precedent the other day and he knows it was phoney.

**Mr. Peterson:** It was not phoney at all, Mr. Speaker, but because of the great discrepancy in figures. We asked on the Order Paper how much would be raised. For example, the Treasurer predicts he is going to raise an additional \$110 million in revenue and the restaurant association, which is here today, feels he is going to raise an additional \$170 million in revenue. Mr. Tom Campbell, the deputy minister, said: "In the interest of budget security, I feel it would be inappropriate to table background studies—tables, calculations and memoranda—that related to the formation of budget policy."

In view of the fact that the Treasurer said: "If you can show me I made a wrong appraisal of the impact of the taxes, I will change my budget," will he not give us the figures? It is like Suncor: he said we were wrong, but he would not give us the figures by which to judge it. Will he not at least allow us to review it in a non partisan way? Or is he going to continue to suppress the figures as he has done in the past?

**Mr. Di Santo:** Mr. Speaker, on a point of order: I hope you realize we are wasting time on just two questions and it is becoming a habit in this House to have—

**Mr. Speaker:** Order. That is not a point of order.

**Hon. F. S. Miller:** By the time the question was stated, I had trouble following it. One thing I did not touch on in my last response was the question of the differences of opinion about the numbers of dollars.

I do not know which ministry is correct in that case. The Leader of the Opposition is asking people to give him an immediate reaction. Treasury collects the money. I will go back and find out whether the amounts that we posted from those taxes are correct in so far as we can tell. Does he realize that it is not that easy on a tax submission to sort out what section of a company the revenue comes from? Does he realize that? We do not ask a merchandiser, Eatons for example, to tell us their various department sales. We ask them to remit sales tax per month.

In the case of an institution or a restaurant that sells liquor, there will be, at the request of the Liquor Licence Board of Ontario, a record kept of the liquor sales, but it is my understanding that when they remit the sales tax—and my



colleague the Minister of Revenue (Mr. Ashe) can tell me if I am right or wrong—they would lump their sales tax in one figure on their form and remit it per month, whether it was at the seven per cent rate for some articles like candies that used to be taxed at seven per cent, the 10 per cent rate that was on meals or the 10 per cent rate that was on alcohol.

**Mr. Cooke:** Mr. Speaker, I want to put the same question to the Treasurer that I put on Tuesday, since he did not answer it.

We are going to refer this bill, the sales tax bill, out to committee. I would like to ask the Treasurer, is he going to instruct or is his whip going to instruct his members on the general government committee to vote against a motion to allow public hearings or is he going to allow the committee to approve a motion to have public input and have public hearings on the sales tax bill?

Will he allow public hearings once the bill is referred out?

**Hon. F. S. Miller:** Mr. Speaker, my answer the other day, and I am going to repeat it again, is that any minister of this House is guided by his House leader and his Premier. I will be guided by my House leader (Mr. Wells) and my Premier (Mr. Davis).

**Mr. T. P. Reid:** Mr. Speaker, I wonder if the Treasurer is aware that Kirk Foley, of the Urban Transportation Development Corporation, a week ago refused to divulge his salary to the standing committee on public accounts, even though he was aware of the bill which will make these things public.

Does the Treasurer not agree it is difficult for anybody to understand this budget unless we have the facts, the figures and the compilations his staff did of the estimate of the impact of these taxes on the people of the province? Why will he not divulge them? Why will he not present them? Why are they not available to the House?

**Hon. F. S. Miller:** Mr. Speaker, I ask for guidance. Was that a supplementary?

**Mr. Speaker:** I think it started out to be a supplementary. You can answer the portion that was supplementary.

**Hon. F. S. Miller:** I answered the question. There are certain—

**Mr. T. P. Reid:** I am learning.

**Hon. F. S. Miller:** Yes, the member is learning. He changed direction 50 per cent of the way through.

The answer I gave to the member from the Windsor area applies to this supplementary. We have certain information that is privy in the course of a budget process. It is even privy from members of cabinet until such time as the budget is presented.

#### USE OF TIME IN QUESTION PERIOD

**Mr. Martel:** Mr. Speaker, on a point of order: I want to direct you to standing order 27(e). It states, "In putting an oral question, no argument or opinion is to be offered nor any facts stated, except so far as may be necessary to explain the same; and in answering any such question, the member is not to debate the matter to which it refers."

If we are going to allow this question period to degenerate to a point where nobody except the two leaders get to ask questions and the back-benchers none, that rule should be taken out of standing orders because it states clearly that one puts a question, one uses the facts and one poses a question, period; not that there can be a hotchpotch of answers that run 10 minutes, nor a series of statements that take another six or seven minutes such that back-benchers are not allowed in at all.

I would ask the Speaker to take that rule under consideration.

**Mr. Speaker:** Perhaps the member for Sudbury East would be the first one to take that rule under consideration. He has raised it. I have raised it on several occasions as have other Speakers before me.

All the members have been here for at least 12 months. Surely, they have had sufficient time to acquaint themselves with the standing orders and with the procedures. I would suggest all members take heed.

#### APPLICATION OF TAX

**Mr. Foulds:** Mr. Speaker, I have a sales tax quiz for the Minister of Revenue and perhaps the Tory back-benchers could fill in the questions and see how well they stack up against the Minister of Revenue. Will the minister answer the following quiz? Which of the following items are taxable and why?

**Mr. Speaker:** The leaders are allowed two questions. I have asked the member for Port Arthur to place his first question.

**Mr. Foulds:** Will the minister tell us which of the following items are taxable and why?

1. A corned beef sandwich bought and consumed at Shopsy's or a corned beef sandwich

bought at Shopsy's and consumed on the sidewalk outside of Shopsy's.

2. Half a dozen kaiser rolls bought at Desborough Meat Market or one single sliced kaiser roll bought at Desborough Meat Market.

3. One take-out coffee at Mac's Milk or one take-out pint of milk at Mac's Milk.

4. One barbecued chicken bought at Nortown Foods Ltd. or one barbecued chicken bought for take-out at Swiss Chalet.

5. One dozen muffins bought at the local supermarket or one dozen muffins bought at the Muffin Man.

**Hon. Mr. Ashe:** Mr. Speaker, do you wish me to dwell on each of these issues?

**Mr. Foulds:** Answer "yes" or "no" to each one.

**Mr. Speaker:** No, the leader of each opposition party is allowed two questions. You will address the one main question which he drew to your attention in placing that document before you.

**2:40 p.m.**

**Hon. Mr. Ashe:** Mr. Speaker, I think the main question was would I answer the quiz. Of course, the answer is yes. If we start getting into the subsections, we have to deal with each one in some detail. We have to put it in the context of the legislation. We have to put it into the spirit of the budget. We have to put it into the spirit of the regulations that will enact the budget. We have to put it into the spirit of the administration that administers the regulations that enact the budget. I will be very happy to do so.

**Mr. Martel:** Just answer the question.

**Hon. Mr. Ashe:** I will be very happy to deal with each one because the answers are abundantly clear. The members on this side know what it is all about; unfortunately, some of those people do not.

Interjections.

**Mr. Speaker:** Order.

**Mr. Martel:** He is waiting for somebody to send the answers in to him.

**Mr. Speaker:** I would suggest to the member for Sudbury East that after raising his point of order he might turn to the member beside him and point that out.

**Mr. Martel:** Mr. Speaker, each of those is a question. It is not argumentative. It follows the rules precisely.

**Mr. Speaker:** You are allowed only one question.

**Mr. Foulds:** You can answer them with a yes or no.

**Mr. Speaker:** Yes, he did.

**Mr. Foulds:** Mr. Speaker, have you ruled his answer is complete?

**Mr. Speaker:** Yes.

**Mr. Foulds:** In view of the massive uncertainty, confusion and unfairness, would the minister not agree that none of the items listed should be taxed under the present regulation which is still in place, that is regulation 46 under the Retail Sales Tax Act which defines prepared meals, so that all of those items are included as exemptions?

**Hon. Mr. Ashe:** The deputy leader, acting leader—call him what you will—of the third party can give any kind of definition that he wishes to the legislation and spirit of same, emanating from the budget and emanating from this Legislature.

I would like to draw the attention of the Speaker and the deputy leader of the third party to the fact that the legislation we will be dealing with in second reading at some time, called the Retail Sales Tax Act amendment, is that anything within that act that puts into effect the budget of the Treasurer (Mr. F. S. Miller) brought down May 13, is retroactive. If the member wishes to advise people who contact him to go upon the spirit of the existing regulation in the context of pre-budget that is fine, I suppose one could say in a legal sense they are correct.

But if one looks upon the legislation as it will ultimately be enacted by this Legislature at some time, the precedent has been set for literally decades. I understand it has been challenged from time to time, but the precedent has been upheld that there will be an obligation retroactive to the date of the budget, or to June 14 in the case of the changes that took effect this week, putting an obligation upon the retailer to have collected those taxes.

I am communicating to any people who contact me, either personally or through the ministry, that particular advice in the context and the spirit of the budget process, in the context and the spirit of the Retail Sales Tax Act as it will be amended. Then, of course, it is up to the retailer to take this guidance and advice accordingly.

The sum and substance is there is an obligation upon the retailer, albeit ultimately retroac-



tively, to collect that tax and remit it accordingly.

**Mr. Breithaupt:** Mr. Speaker, I had a call this morning from a chap who runs a bakery in Kitchener who has informed me that he has been told by the minister's officials that whereas muffins, tarts and doughnuts are taxable, apparently pastries, éclairs and date squares are not.

**Hon. Mr. Davis:** We know which ones you've opted for over the years, anyway.

**Mr. Breithaupt:** Over the years, yes, and I sent all the extras to you, Mr. Premier.

If they buy them by the dozen, these items are not taxable. He was then told that if one or two individual pieces were sold, they were taxable. Now he is told if from one to five individual items are sold, they are taxable. Obviously, there is a great deal of confusion as to just what kinds of business and what number of items are taxable.

Will the minister ensure that the people who are expected to collect the sales tax know what these particular rules are? There is clearly confusion as to the kinds of items and the number of items which accrue tax.

**Hon. Mr. Ashe:** Mr. Speaker, I would be happy to give that commitment. On the surface, I know it appears that everything can be pure and straightforward. In actual fact not only today, but in years gone by, this government and this ministry have indicated by its actions that it wants to create a system that is fair and is reasonable.

Part of that system is creating regulations that are also reasonable out in the marketplace. Yes, there has been a little bit of confusion that has come out of that, there is no doubt about it. Interpretations have been taken by some people that have been incorrect.

In actual fact, it is really very clear. If one is talking about buying a prepared food that is going to be consumed either there or immediately after leaving, versus buying a quantity of food to take home as part of one's grocery order, albeit whether it be from a bakery or some other place, the distinction is abundantly clear: the first is taxable, the second is not.

**Mr. Foulds:** Mr. Speaker, can the minister tell us whether or not, a full month after the budget and three days after he expects these people to be collecting the taxes on his behalf, he has clearly spelled out the regulations in detail so they will know that they are acting on what he admitted to be a law which has not yet been passed?

Can he just answer one of the subsections for me? Would he tell me whether the barbequed chicken at Nortown Foods Ltd., on Eglinton Avenue West, is taxable and whether the barbequed chicken bought for takeout from the Swiss Chalet Restaurant is taxable? Would he please just answer that one?

**Hon. Mr. Ashe:** Mr. Speaker, they are both taxable.

**Mr. Foulds:** The minister failed, according to his officials. He got 50-50.

#### TAX ON NONPROFIT ORGANIZATIONS

**Mr. Foulds:** Mr. Speaker, I would like to ask the Minister of Revenue now to clarify another area of the retail sales tax. Can the minister tell us clearly and simply what sales tax on prepared foods will religious, nonprofit, charitable organizations have to remit to him?

**Hon. Mr. Ashe:** Mr. Speaker, I am not quite sure whether the deputy leader of the third party was here last Friday or not. I did make a statement which ultimately was distributed to all members of the House, actually coincident with my statement in the Legislature, and which I think made that point abundantly clear.

If you would allow me, Mr. Speaker, I would be happy to read it into the record again.

**Mr. Speaker:** No, I do not think that is necessary. I think the information was distributed to everybody.

**Hon. Mr. Ashe:** Yes, it was, Mr. Speaker. What is indicated in the statement is the policy of the ministry. I think it is clear for all members on this side. I am not quite sure about some of the members over there.

**Mr. Foulds:** Can the minister explain to this House what his ministry officials meant when they told our research department that such organizations as ethnic clubs and so on would have to pay taxes on a "fund-raising wedding." Can he explain what the ministry official meant with that term?

**Mr. T. P. Reid:** Fund-raising wedding!

**Mr. Foulds:** A fund-raising wedding, and therefore not be exempt.

**Hon. Mr. Davis:** I can tell you there ain't no such thing.

**Mr. T. P. Reid:** Can we make that one retroactive for three years?

2:50 p.m.

**Mr. Speaker:** Order.

**Mr. Foulds:** And can he tell us, very simply, are Caravan, Carousel and Fiesta Week exempt?

**Hon. Mr. Ashe:** Knowing how some people can twist a question and in turn twist the answer, I am quite sure that was a reasonable question vis-à-vis weddings and vis-à-vis those who are catering weddings and would have had a very simple and clear answer that I would be glad to clarify. There is no doubt, as I have made clear on various occasions within the Legislature and again last Friday, that if an organization, whether it be a church organization, a charitable organization or a fraternal organization, is in the business of catering events such as weddings, tax is collectable and payable to the ministry.

The member may want to classify that as fund-raising, although I do not know how it can be in any interpretation at all. One of the reasons the organization is catering may be to raise funds for the organization. That is fine, but it is still taxable because it is in competition with a service provided in the marketplace. That has been made abundantly and consistently clear by both the Treasurer and myself on numerous occasions.

The other question, and there were two, Mr. Speaker, related to the organizations known as Fiesta Week, Carousel and Caravan. Fiesta Week is being held in Oshawa; Carousel, I understand, is in Windsor; and, of course, Caravan is here in Toronto. We have investigated, together with the operators of these various festivals, and have been assured and convinced that all the organizations that take part do fall into the category of religious, charitable and benevolent organizations. They would fall into the spirit of holding a limited number of activities a year and not generating more than \$75,000 in sales, and hence will not, I repeat, will not be taxable.

**Mr. Roy:** Mr. Speaker, does the minister not realize that the profusion of regulations he is putting forward is extremely confusing? Although we must say on this side we did not miss his latest press release of last Friday on charitable organizations. That was the one with the white flag, was it?

**Mr. Speaker:** Supplementary, please.

**Mr. Roy:** The minister tells this House and the public of Ontario that he tested the retroactive aspect of collecting tax before the legislation is passed. My question to the minister is simply this: does he not realize that all these challenges took place before the enactment of the Charter of Rights? The Charter of Rights

includes provisions that say it is not constitutional or legal to have people submit to penalties that are not in force or where there is no legislation supporting such penalties at the time the acts for which they are imposed are committed? Does the minister have—his colleague the Treasurer having confused the House on Tuesday in answer to my question—a legal opinion saying that any penalties that are attached to the collection of the payment of this tax can be enforced since the charter of April 1982?

**Hon. Mr. Ashe:** As the honourable member knows, the Charter of Rights is new, having come into effect very recently. It is thanks in great degree, of course, to the very important participation by our great Premier that the constitutional debate and the charter came into being. Anybody with an ounce of common sense would know that a particular activity relating to the charter has not been tested within the court system. Possibly it will be.

In the meantime, there is no doubt we are proceeding on the basis of precedent, in terms of both budget and previous challenges. I would suggest it is not our right or need to go into court to prove we are right. It is the right of somebody else, if they wish, to challenge as to whether we are wrong.

**Mr. Cooke:** Mr. Speaker, the statement of the Minister of Revenue is still unclear with regard to Carousel, Fiesta Week and Caravan. Some of these groups do have gross incomes of more than \$75,000 and do have more than four events. I would like to ask the minister whether Carousel, Fiesta Week and Caravan count as one of those four events.

Can the minister tell us, if their gross income per year is more than \$75,000 will they still be exempt this weekend? Why does the minister not simply tell us that any ethnic community having functions over the year for their own community, that all of those particular events are exempt instead of being so silly with this kind of regulation?

**Hon. Mr. Ashe:** Mr. Speaker, there is no doubt that the spirit of the regulation, both in the past and in the future, is in terms of specifying numbers; that has been and will continue to be a guideline. The \$75,000 is already a 50 per cent increase from the previous limit that was contained within the regulation. I would suggest that for virtually all organizations the \$75,000 limit in a calendar year will be more than adequate.

Keep in mind we are not talking about the



whole Fiesta, Carousel or Caravan activity per se. We are talking about the individual pavilions contained therein. I would suggest that the \$75,000 is a very adequate limit. At this time of the year, there is no doubt that there is no organization that will surpass that limit. If somebody is in the regular business of raising funds of that nature, as the year goes on they will no longer have their tax exempt status.

#### TAX ON MEALS

**Mr. Sweeney:** A question to the Treasurer please, Mr. Speaker. I have just recently been advised by a small businessman in my community that prepared sandwiches he supplies to local elementary schools and that are sold by the students in the school to their fellow classmates are now going to be taxed. That will require those elementary students to become tax collectors. Was the Treasurer aware of that consequence when he drafted his budget and does he agree that elementary school students should be tax collectors for the province of Ontario in their own schools?

**Hon. F. S. Miller:** Mr. Speaker, the question is: At what point does one have a true retailer adding a markup? I would suspect the point of collection is the vendor and the manufacturer in that case.

**Mr. Sweeney:** For the Treasurer's information, that is what my constituent was told. As a matter of fact, he has gone a step further. He has been told by the local board of education that it will refuse to allow the students to become tax collectors. As a result of that he is going to lose all of that business and he is going to have to lay off three employees.

**Mr. Speaker:** Supplementary, please.

**Mr. Sweeney:** Once again, when the Treasurer brought in this budget, did he intend that people would actually lose their jobs? Given this kind of consequence, is he now prepared to rescind that tax and save these jobs?

**Hon. F. S. Miller:** Did I intend people to lose jobs? Of course not. The question in this case is who is the real vendor. I would suggest they have a seven per cent tax on the gross sale to each student and that is the answer.

**Mr. Sweeney:** But the vendor is the student, selling to another.

**Mr. Speaker:** Order.

#### EXTRA BILLING

**Mr. McClellan:** Mr. Speaker, I have a question for the Minister of Health with respect to

the collapse of the so-called agreement between the Ministry of Health and the Ontario Medical Association which was announced in 1979. May I ask the minister if he is familiar with a report of an investigation by the Ombudsman of Ontario, dated May 27, 1982? It is an investigation into a complaint with respect to extra billing at Scarborough General Hospital.

**3 p.m.**

Is he aware of the remarks of Dr. Ed Moran, the general secretary of the Ontario Medical Association, referenced on page 7 of that report, as follows: "Dr. Moran advised that the OMA is not as rigid in its interpretation of the 'agreement' as the ministry would appear to be. For instance, the OMA does not believe that in all cases doctors should be required to inform their patients in advance of any charges above those provided for in the Ontario health insurance plan fee schedule. Further, the OMA does not think that in every case the patient should not have to pay rates above the OHIP fee schedule in the event that prior notification was not given"?

My question, simply put, is when did the new Minister of Health find out that the agreement of 1979 was a complete hoax?

**Hon. Mr. Grossman:** Mr. Speaker, as I indicated to the member earlier, I believe this sort of agreement is very important, and in view of certain events that have happened recently I should like to inform the House that we have given notice today of our intention to amend the regulations so as to require all physicians charging in excess of the OHIP schedule of benefits to give prior notice to the patient of the excess charge.

**Mr. McClellan:** I guess the minister does not want to answer the—

**Hon. Mr. Grossman:** You don't know what to say in your supplementary.

**Mr. McClellan:** No, I do know what to say. I do not know how to say everything I want to say and not be thrown out of the House.

I want to know when the minister discovered there was no written agreement with the OMA, nothing was ever in writing, nothing was ever signed, and there never was any contract between the ministry and the OMA. When did the minister realize the agreement did not exist?

Finally, with respect to the answer that was given, what sanctions will apply to the new provisions under the Health Disciplines Act, since the Ombudsman had determined in May that the ministry had absolutely no power to

enforce the matter of nonpayment in the absence of prior notification under the Health Disciplines Act?

When did the minister discover it was a hoax, and what enforcement provisions has he "negotiated" this morning?

**Hon. Mr. Grossman:** We have not negotiated any this morning. To clarify the situation for the member, I do not accept the proposition that it was a hoax. In fact—

**Mr. McClellan:** It was a hoax. It was a big fraud.

**Hon. Mr. Grossman:** I know the member is frustrated because of my positive answer, and he has to get something in the media, but—

Interjection.

**Hon. Mr. Grossman:** Just wait a minute. I know you are disappointed that we have a response, but you are going to have to live with that sometimes. Life is going to be harder for you.

If the member will look at the history since that agreement was reached, and it was an agreement, there have been very few complaints launched with the OMA, with the College of Physicians and Surgeons of Ontario, and very few of those have ended up with the Health Disciplines Board. In fact, the vast majority of the doctors in this province have been heeding the advice given by the College of Physicians and Surgeons, which is to give that kind of advance notice.

Let us just put it in some perspective. There has not been gross violation of that, the agreement was not a hoax and the profession has been acting responsibly for the most part.

In any case, I think a situation where some physicians can neglect to tell their patients they are billing them in excess of the OHIP schedule of benefits is not satisfactory, and therefore we propose to amend the regulations to the Health Disciplines Act—this is the answer to the second part of the member's question—to make the charging of a fee in excess of the OHIP schedule of benefits without prior notification to the patient a matter of professional misconduct. That would be under section 27 of the Health Disciplines Act regulations.

#### HYDRO CONTRACTS

**Mr. Sargent:** Mr. Speaker, I have a question of the Minister of Energy. Since we do not get any action out of the Premier (Mr. Davis), we will ask the minister.

In view of the shocking action yesterday of

Ontario Hydro against Madawaska Mines Ltd., where 400 people will be losing their jobs in the Bancroft and Haliburton area because of these contracts entered into by Ontario Hydro, in the press the minister has defended Hydro's recent decision to award the \$400-million contracts—our money—against the Bancroft people to the uranium mine in Key Lake in Saskatchewan on the grounds, he said, that it made clear economic sense.

**Mr. Speaker:** You do have a question?

**Mr. Sargent:** Mr. Speaker, I timed the last question. It took two and a half minutes to set it up. This is very important to a lot of people. I do not want the stopwatch out on this one.

Is the minister aware that we do not agree it made clear economic sense to accept the lowest bid, as he said? He would have us believe that Ontario Hydro is the champion of the Ontario electrical consumer. I wonder if he is prepared to require Ontario Hydro to apply cool economic logic to the long-term contracts that it has entered into at the behest of the Premier with Denison Mines and Rio Algom Ltd.

As the minister is aware, the current world price for uranium is about \$23 a pound in US funds, while these contracts with Denison are for approximately \$50 to \$60 a pound, costing Ontario consumers some \$50 million a year more for this friendship we seem to have with Steve Roman and his gang. What steps will the minister take to eliminate this gouging of the Ontario consumers?

**Hon. Mr. Welch:** Mr. Speaker, the honourable member has raised questions with respect to a decision taken by the board of directors of Hydro on Monday. I am sure we all share some concern with respect to the welfare of many people who live in that area of the province to which the member has made reference.

I know of no one in Ontario who has worked harder in their interests than the member for Hastings-Peterborough (Mr. Pollock), accompanied by Father Maloney from that area. Meetings have been arranged in order to accommodate representations from the community, under the leadership of the member for Hastings-Peterborough and the good father, to make it quite clear what the implications are with respect to this contract.

I should also remind members of the House that the reason for the immediate concern in that locality has been the cancellation, six months earlier than planned, of an international contract which would have run until the end of



this year but will terminate at the end of June. The Ontario Hydro board of directors, the chairman of Hydro and others who have met with the member for Hastings-Peterborough are charged with the responsibility of analysing these proposals. We are talking about a supply of uranium that is not required until late 1985.

The member will know, because of his research—I say that because he has spent a great deal of time on this issue—we should never forget to remind the people of this province that 85 per cent of the total uranium requirements for Ontario Hydro will come from Ontario producers in the Elliot Lake area up until the year 2000. It is a very important matter.

I also point out that in the late 1970s, as the member will know, that same corporation, charged with the responsibility of ensuring adequate supply, negotiated the agreements to which the member makes reference and those agreements were carefully studied by an all-party committee of this Legislature. He knows that.

**3:10 p.m.**

**Mr. Sargent:** The minister did not tell members the fact that Denison is using crown land, paying \$7,000 a year to make a \$2-billion guaranteed profit—

**Mr. Speaker:** Now for the supplementary.

**Mr. Sargent:** —and that we lent the company \$650 million interest-free for 40 years and that is costing us \$1 billion in interest. Now he is talking about the \$50,000 difference in the storage factor on the Madawaska contract.

**Mr. Speaker:** Supplementary, please.

**Mr. Sargent:** The minister is surely aware that both Rio Algom and Denison Mines were charged last June with uranium pricefixing by the federal Attorney General.

Has the minister received legal counsel as far as Hydro's long-term contracts are concerned? Will he comment on the advice he has received since the select committee on Hydro affairs was terminated that, under the contracts, if the price paid by Hydro is affected by a cartel of which either party is a member, Hydro would have cause for action—the Premier should listen to this—against them to recover the difference between the artificial price and the competitive price?

The Premier has consistently refused to talk about this. The minister and the Premier must have serious commitments to someone since they will not look at it and renegotiate it. Will

the minister tell us why he will not renegotiate these contracts?

**Hon. Mr. Welch:** As I said in response to the main question, the people in Elliot Lake are very happy with respect to the acquisition that is required.

As far as the people in this area are concerned, I do not think any member of this House has a monopoly on concern. As the member knows, the accountability of Ontario Hydro is to the electricity customers of this province. Ontario Hydro invited proposals for the supply of uranium starting in late 1985. We are talking in terms of one of those proposals that would have required Hydro to take delivery starting immediately. That would have added to the cost. The member knows what that would mean with respect to cost.

As for the future of that operation in that place, the Minister of Natural Resources (Mr. Pope) will be making a significant statement in that regard tomorrow.

**Mr. MacDonald:** Mr. Speaker, it is difficult to frame a question since it is obvious the media have not been able to get detailed figures from Hydro. Once again, the detailed information is being withheld.

If Hydro was willing to sign long-term contracts that, according to the news reports, were in the range of \$50 to \$60 a pound for 85 per cent of the need, why would Hydro hesitate to sign a contract with Madawaska Mines for less than 15 per cent of the need and in so doing keep that mine open?

**Hon. Mr. Welch:** Mr. Speaker, I think I have already answered that question. Hydro has to concern itself with long-term security of supply with respect to the fuel it requires. Indeed, as it analysed its requirements and modified them, it became obvious it did not need this additional supply until late 1985.

There were other considerations besides the time of delivery. The grade of the ore and a number of other matters were reflected in the price. That is a matter of accountability. We have to recognize what Hydro's accountability is in that regard, and think in terms of alternatives and other proposals that it is hoped would be of some help to the people who will be affected by that decision.

#### EMPLOYEE HEALTH AND SAFETY

**Mr. Martel:** Mr. Speaker, I have a question for the Minister of Labour—

**Mr. Speaker:** I hope the member will take due regard of standing order 27(e).

**Mr. Martel:** I have the rule right in front of me, Mr. Speaker. I assure you I will not be argumentative. I will just place several facts on the table as I ask my question.

Is the minister aware that the workers at Gothic Store Fixture Co. of Mississauga requested that the ministry test for exposure to hazardous substances?

On January 19, tests indicated that wood dust levels were in excess of the allowable guideline. Orders were issued by the ministry inspectors that the company provide adequate ventilation and protective equipment, and that the company call the ministry back to test for formaldehyde exposure when production began again in the plywood and particle board section? Is he further aware that the orders were never posted for the workers, that they have never been complied with by the company and that the inspector did not go back to follow up the inspection that was requested once production started again in that particular plant?

**Hon. Mr. Ramsay:** Mr. Speaker, I am getting dozens of reports of that nature each week but I do not recall that particular one at this time.

**Mr. Laughren:** Doesn't that tell you something, Russ?

**Mr. Martel:** That was right on, wasn't it, Mr. Speaker?

Is the minister aware that a survey was undertaken with respect to this particular local, which is involved in 15 operations in this area, and that the results from 100 respondents, tabulated by St. Michael's Hospital occupational health and safety unit, indicated that 59 per cent suffered burning and watery eyes; 43 to 52 per cent had excessive phlegm, coughing and soreness of the throat; 46 per cent had headaches at work, and a full third of these had great difficulty breathing? Is he also aware that these are the same health effects caused by exposure to formaldehyde—

Interjections.

**Mr. Speaker:** Order. The member for Sudbury East has the floor.

**Mr. Martel:** These same health effects caused by exposure to formaldehyde were documented by his own ministry's study, the Haliday report, which indicates that some 6,500 workers are exposed to formaldehyde, and that formaldehyde causes respiratory hazards such as nasal cancer. Is the minister aware of that?

**Hon. Mr. Ramsay:** I will have a complete report for the member by this time tomorrow.

## PETITIONS

### TAX ON CLOTHING REPAIRS

**Ms. Bryden:** Mr. Speaker, I have a petition to the Treasurer (Mr. F. S. Miller) regarding the extension of the retail sales tax to charges for repairs and alterations to clothing by dry cleaners and launderers. The petition was submitted to me by Mr. Tom Mark, 2208 Queen Street East, Toronto. He operates a dry cleaning establishment at that address in my riding.

The petition contains 181 names of his customers in my riding who are asking for withdrawal of the retail sales tax extension to charges for repairs and alterations to clothing by dry cleaners and launderers under the May 13 budget. They protest this extension of the retail sales tax base on the grounds that it is "unfair, inequitable, inflationary and an added hardship, especially on the elderly, the unemployed and the working poor."

**Mr. McClellan:** Mr. Speaker, I am pleased to present a petition, signed by innumerable citizens, which reads as follows:

"We, the undersigned customers of Russell Cleaners, support the protest to the June 14 expansion of the Ontario provincial sales tax that imposes this tax on charges for repairs and alterations to clothing by dry cleaners and launderers. We urge the Honourable Frank S. Miller, Treasurer of Ontario, pro tem, to withdraw this application of his May 13, 1982, budget since it is unfair, inequitable, inflationary and an added hardship, especially on the elderly, the unemployed and the working poor."

**Mr. Martel:** Mr. Speaker, in the interests of time, I will simply submit this similar petition to the Treasurer.

**Mr. Speaker:** Co-operative as ever.

**Mr. MacDonald:** Mr. Speaker, I have a similar petition coming from the White Bunny Cleaners of 2139 Weston Road. I will dispense with reading the full petition. It is the same as you have heard from my friends the members for Beaches-Woodbine (Ms. Bryden) and Bellwoods (Mr. McClellan).

3:20 p.m.

**Mr. Williams:** Mr. Speaker, on a point of order: I would suggest that in the past day or two you have been very lax in enforcing the standing orders of the House. In particular, I draw your attention to standing order 29(c) which states,



"Petitions may be either written or printed and only the original, properly signed, and addressed to the Lieutenant Governor and the Legislative Assembly, may be presented."

I have been listening carefully over the past day or two to the presentation of these petitions and I believe that all of them, without exception, have been addressed to a minister of the crown rather than to the Lieutenant Governor. I would hope that you would enforce the standing orders of this House.

**Mr. Speaker:** Thank you for drawing that matter to my attention. It is a matter which we have already taken under consideration. The petitions obviously are addressed not to the House but indeed to the Treasurer. They are, therefore, in order and there is nothing out of order except the member for Oriole.

## REPORTS

### STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Mr. Shymko from the standing committee on social development reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of Education be granted to Her Majesty for the fiscal year ending March 31, 1983:

Ministry administration program, \$38,400,500; education program, \$2,857,645,000; services to education program, \$136,619,400.

### STANDING COMMITTEE ON GENERAL GOVERNMENT

Mr. J. M. Johnson from the standing committee on general government presented the following report and moved its adoption:

In the report of the committee presented on Thursday, May 27, 1982, the report did not include the committee's recommendation that the fees, less the actual cost of printing, be remitted on Bill Pr18, An Act respecting the Japanese Canadian Cultural Centre of Toronto.

Your committee asks the approval of the House on this recommendation.

Motion agreed to.

## MINISTER'S SPEECHES

**Mr. Ruston:** On a point of privilege, Mr. Speaker: Since the Minister of Energy is in his place—and I drew this to his attention a few weeks ago, or a month or two ago—he continues to waste taxpayers' money by sending these big brown envelopes to my home with all his

speeches. There is \$1.95 in stamps alone and would he quit sending them to my house—

**Mr. Speaker:** Order. The honourable member is out of order. It is not a legitimate point of privilege.

## MOTION

### PRIVATE MEMBERS' PUBLIC BUSINESS

Hon. Mr. Gregory moved, notwithstanding standing order 64(a), that next Thursday, June 24, will be the final day for private members' ballot business until the fall sittings of the House.

Motion agreed to.

## INTRODUCTION OF BILLS

### REGIONAL MUNICIPALITIES AMENDMENT ACT

Hon. Mr. Bennett moved, seconded by Hon. Mr. Gregory, first reading of Bill 149, An Act to amend Certain Acts respecting Regional Municipalities.

Motion agreed to.

**Hon. Mr. Bennett:** Mr. Speaker, this bill will make a number of amendments to the regional acts. For all regions, the interest accumulation rate and debenture sinking and retirement funds will be increased from five to eight per cent. The bill will make it clear that those regions which provide sewer and water services directly to customers will be able to collect unpaid utility bills as taxes.

The waste disposal powers of Durham and Halton will be strengthened and the regions and the regional municipality of Waterloo will be enabled to produce and sell energy from waste. In those regions that provide sewage treatment plants to treat sewage collected by area municipalities, the regions will be enabled to accept and charge for septic tank wastage from haulers.

The bill will streamline the road-closing procedure in Halton, simplify the establishment of service areas for sewer and transit levies in Ottawa-Carleton and adjust the boundary description in Waterloo.

The bill will also provide a method of altering the manner in which the Ottawa school board is selected. The Ontario Municipal Board, upon receipt of an application from the Ottawa school board or petition of the public school electors, may create, alter or dissolve the zones used to select members of the board. This

process is modelled on the procedure for creating and dissolving municipal ward boundaries.

### MUNICIPAL AMENDMENT ACT

Hon. Mr. Bennett moved, seconded by Hon. Mr. Gregory, first reading of Bill 150, An Act to amend the Municipal Act.

Motion agreed to.

**Hon. Mr. Bennett:** Mr. Speaker, this bill will make a number of amendments to the Municipal Act. Included in the bill is a provision promised in the throne speech to allow municipalities to operate in French as well as English.

The bill will take away the mandatory vote of the electorate on money bylaws. It will allow smaller municipalities to issue all types of debentures. The bill will also exempt nonprofit hospital services corporations from municipal and school taxation and will also provide for the payment in lieu of municipal taxes.

The bill will delete many archaic provisions and make a number of routine amendments as well.

### ANSWERS TO QUESTIONS ON NOTICE PAPER

**Hon. Mr. Gregory:** Mr. Speaker, I am tabling the answers to questions 111, 200, 207 and 208 on the Notice Paper [see Hansard for Friday, June 18].

### RESPONSE TO WRITTEN QUESTION

**Mr. Boudria:** Mr. Speaker, on May 12, 1982, I placed a question on the Order Paper to which the government replied that it would have an answer by May 27. On May 27, it replied that a final answer would appear on June 1. Today is June 17. I have yet to receive a reply to that question. I would like to draw that to your attention.

**Mr. Speaker:** I am sure the particular minister will take note of that and will reply at his earliest convenience.

### MOTION TO SET ASIDE ORDINARY BUSINESS

Mr. Cooke moved, seconded by Mr. Breaugh, pursuant to standing order 34(a), that the ordinary business of the House be aside to discuss a matter of urgent public importance, namely, Bill 115, which is the government bill to impose a seven per cent sales tax on food sold at festivals in Ontario, specifically on festivals this weekend in Toronto, Oshawa and Windsor, and the complete confusion resulting from the con-

flicting statements made in the Legislature by the Minister of Revenue and the Treasurer.

**Mr. Speaker:** I would like to advise all the members that this notice of motion has been received in time and complies with the standing order. I will listen to the member for up to five minutes as to why he thinks the ordinary business of this House should be set aside.

**Mr. Cooke:** Mr. Speaker, this weekend there will be a number of festivals in this province, as there are every year, celebrating the multicultural nature of our province. Specifically, in the city of Windsor there will be the sixth annual festival called the Carousel of Nations, in Toronto there will be Caravan and in the Oshawa area Fiesta Week.

3:30 p.m.

The fact of the matter is that many of these groups do not understand or do not know, because of the lack of a proper explanation on the part of the government, whether or not the food they sell at their various villages will be taxed.

The statement given by the minister today in the House in answer to questions from my deputy leader has not clarified the situation whatsoever.

I would like to review just a few of the statements that have been made both by the Minister of Revenue (Mr. Ashe) and by the Treasurer (Mr. F. S. Miller). This first statement was made on May 31, by the Minister of Revenue. He stated, as reported at page 2132 of Hansard:

"However, contrary to what has been implied by members opposite, that tax will not be paid by the organization, whether it be charitable, nonprofit or otherwise. It will be a further cost to the consumer. It is true they will have the problem of making collections and returns but, when we get right down to it, most taxpaying groups are not too concerned about the bit of administration they will have to do on our behalf."

He went on to say: "There is also no doubt at all that my mandate is primarily to fulfil at least the spirit of the Treasurer's budget, and that is what we are attempting to do."

"I know that on the surface it sounds like a real motherhood issue to suggest who should or who should not be responsible for collection of taxes. But let me point out—because I am sure the member has not thought about it—the kind of situation that could occur, whether it be at Fiesta Week in Oshawa, Caravan in Toronto or



the upcoming Canadian National Exhibition. Can the member see the hot-dog stand or the hamburger stand operated by a church—the denomination does not matter; that is beside the point—or any other recognized charitable association, with their big sign above it, ‘Buy here because you do not pay tax’?”

He went on to say, at page 2133: “As far as the administrative details of collecting tax are concerned, I would suggest it will be a bit of a problem for the first few days for any organization that maybe has not handled tax before, but they will get used to it.”

When we asked the question on June 15, to the Treasurer, the Treasurer said the following, as reported at page 2695 of Hansard:

“We have been dealing with that problem at length and trying to review the old regulations, which gave a \$50,000 limit, and the new regulations, which give a \$75,000 limit. I would be on somewhat thin ice if I said I knew whether Carousél, which I understood took place last weekend and will be on next weekend, was in a nontaxable state for both. My belief is that Carousél will be nontaxable this coming weekend. I will ask the minister for the definition.

“In the case of Caravan, it is my understanding that none of the booths of Caravan will attract tax. I believe that has been cleared by the ministry at this point. The minister responsible is out of the House at present; he was here a few minutes ago. He is in a better position to say whether they do or not . . .”

The Minister of Revenue made a statement last Friday. He said the regulations were now clear and he pointed out, as reported at page 2581 of Hansard:

“The new regulations under the Retail Sales Tax Act will reflect the following.

“No tax will be payable on the purchase or sale of prepared food bought or sold by such organizations for up to and including four occasional events per year.

“The \$50,000 taxable sales limit for the four events will be raised to \$75,000 . . .

“The exemption will not apply to any organization holding regularly scheduled weekly or monthly events . . .

“The exemption will not apply when the organization is selling prepared food in direct competition with commercial food operators on the same site . . .”

I go back to the \$75,000 limit. The fact is that many of these groups do go over the \$75,000 limit; they do have more than four events a year. Is the minister saying today that events held at

the beginning of this year will not be taxable because it is early in the year, but later on in the year the Octoberfests that are held in Kitchener and at the Teutonia Club in my riding and the Winefest that is held at the Italian club in my riding, if they are the fifth event, will be taxable because by then they will be over the \$75,000 limit?

Will they be exempt at that point, or does it mean they will be taxable this weekend if they have already had four events in the cities of Windsor, Toronto or Oshawa and this is their fifth event as part of Carousél, Caravan or Fiesta? Are the large organizations going to have to charge tax, while the small ones will not? It is still not very clear.

If I could just sum up, I would point out that these events begin again tomorrow and it is essential that this matter be cleared up. If anything, the minister’s statement today created more confusion.

**Mr. T. P. Reid:** Mr. Speaker, I find the motion actually quite interesting but I am not sure it deserves an emergency debate in the House, which would take away from the private members’ time. I hope the minister will be able to stand in his place—I must say I do not have much optimism about that—and tell us categorically what the situation is.

We on this side have been raising questions about the provisions of the budget and how they relate to people in our communities. We have had questions this afternoon from both the Liberal Party and the New Democratic Party as to what is taxable and what is not, and who is going to have to pay it and who is not. There is massive confusion.

In one way I find myself in sympathy with the NDP motion, in that there is so much confusion and contradiction surrounding this. I would have felt more comfortable in supporting the motion more fully—if I may put it that way—if it had dealt with all the contradictions in the budget and the extensive confusion in the communities.

I understand there is urgency here as some of these organizations will be affected tomorrow. I am hopeful that the minister can now rise and unequivocally tell us, and through us the people, particularly these organizations, what the situation is.

**Hon. Mr. Ashe:** Mr. Speaker, I rise to suggest for your consideration that the matter proposed by the third party does not and definitely cannot be perceived to fall into the category of “a matter of urgent public importance.” I think

there have been abundant opportunities since May 13, particularly during the past week, for discussion of the issue. Why the honourable member suddenly now perceives that it is a matter of urgent public importance really escapes me.

With the events of last week, with my statement of last Friday, with the clarifications as to the status of meals sold by religious, charitable and benevolent organizations, with the questions that were asked of the Treasurer and myself earlier in the week and, most important, the very specific question that was asked today as it applies to Fiesta, Carousel and Caravan, I think I have answered unequivocally that the organizations that operate the various pavilions would not be taxable. The status of the upcoming festivities is totally clear. The regulations being drawn will actually continue the tax exemption that these organizations traditionally have enjoyed in recognition of their important social and community services.

In his introduction to the motion he has placed before the House, I think the member indicates his confusion by putting into the same category as the Canadian National Exhibition the status of the cultural organizations which participate in those activities known as Fiesta, Carousel and Caravan. In fact, they are not the same type of activities or carried on in the same spirit. There is no doubt at all, as I think I have made abundantly clear on more than one occasion, that in activities operated even by those kinds of organizations at events such as fairs and the CNE, the products they have for sale will be taxable.

However, we have been talking to each of the organizations that are involved in the operation of Fiesta, Carousel and Caravan, and we have been convinced that all the organizations that operate the various pavilions do fall into the category of religious, charitable or benevolent organizations. Therefore, the products they have for sale during the week or nine days, or whatever period it may be, will not be taxable.

It is very true that if those organizations carry on business regularly and amass sales cumulatively over the year in excess of \$75,000, it is quite conceivable that further into the year they may lose their prestigious status. But I think the \$75,000 limit, besides being very clear and very explicit, gives ample opportunity for those organizations to have very legitimate fund-raising activities for those very legitimate, useful and

benevolent purposes on behalf of the community.

**3:40 p.m.**

In conclusion, Mr. Speaker, I hope you will rule that this event has had ample discussion, that there has been ample opportunity to discuss, debate and clarify the issue. Again, with the question today in question period, which in my view has been answered abundantly clearly, there is no uncertainty except in the minds of a few members opposite. I might say that we have also had discussions with senior organizers of the three events in question, and all of them are aware of the position of this government and of this ministry in that regard.

**Mr. Martel:** Can you explain that, Mr. Speaker? Do you understand what that means?

**Mr. Speaker:** Order. I have listened with great interest and intent to the arguments put forward by the honourable members on three sides, and I must rule against the motion. However, I think the reason I am ruling against it perhaps needs some explanation. I point out to all members that Bill 115, in the name of Mr. Ashe, is standing on the Order Paper for second reading and, therefore, I find that the motion is indeed out of order.

## ORDERS OF THE DAY

### NEIGHBOURHOOD WATCH PROGRAM

Mr. Cousens moved, seconded by Mr. Williams, resolution 28:

That this House acknowledge the positive contributions of Neighbourhood Watch programs in preventing neighbourhood crimes such as vandalism and burglaries, and also that this House encourage interested members of a community to form Neighbourhood Watch groups under the guidance of local police forces.

**Mr. Speaker:** I advise the honourable member that he has up to 20 minutes for his presentation and may reserve any portion of that time for his windup.

**Mr. Cousens:** Mr. Speaker, I would like to reserve three minutes, if I may, at the end.

In considering this resolution today, I hope the Legislature will be persuaded of the importance and value of the volunteer movement called Neighbourhood Watch. In supporting this resolution in the House, I hope each one of us can help to carry this program back into our own communities and, in so doing, help prevent crime. I thank the member for Chatham-Kent (Mr. Watson) and the member for Oriole (Mr.



Williams) for their personal support and commitment to this program.

Let me begin with a question to honourable members. Do you know what it is like to have your house broken into and to have valuables stolen, to lose family heirlooms or collectors' items? Do members know what it is to suffer the psychological damage, pain and anguish that people suffer who have had a crime committed against their person or their property, including assault, rape, robbery and break and enter?

The victims of crime have their privacy invaded. The victims of crime have their basic democratic rights stolen from them. And the victims of crime can suffer immeasurable pain, changing their outlook and perspective on life. Resulting from this growth in crime, an old-fashioned approach is being brought back to help reduce crime in our communities.

Ontarians are fortunate to have high-quality police forces. The Royal Canadian Mounted Police, the Ontario Provincial Police and the regional and local police forces all do an admirable job of fighting crime. The courts and the judicial system have our respect for being fair and just. The correctional system is working toward viable, innovative rehabilitation and retraining programs which will benefit all of society.

But we need something more, something that existed among the early pioneers of Canada as they took an interest in one another and each kept an eye out for their neighbours. There was, years ago, a spirit of neighbourliness and concern for those around them that has been lost to some degree in today's society.

Some of that old-fashioned interest in one's neighbour is coming back today because of the increase in crime. Neighbourhood Watch is essentially a system of neighbours helping neighbours by working together to reduce crime in their own communities. It operates at the grass-roots level. A policeman patrolling might not recognize a stranger in one's yard but a neighbour would.

In a community protected by Neighbourhood Watch, each neighbour can effectively watch the house to either side as well as the house behind him and the house across the street. Neighbourhood Watch can foster a spirit of co-operation between citizens and the police. The police have a genuine desire to help citizens who help the police.

Are we not all trying to work together to build a stronger and more concerned community? Neighbourhood Watch is in many ways similar

to the Block Parent program in that it is organized on a community or neighbourhood basis.

Let me tell members how Neighbourhood Watch works.

Most residential crime is committed by unskilled criminals and by a few skilled amateur criminals. These criminal elements capitalize on the opportunities created by unsuspecting, unprepared people.

Many of these residential crimes are committed because the victim has been careless or has been unattentive to security. He has left the doors unlocked or has advertised his absence with an unlit house or piled-up newspapers, or he has left his car keys in the ignition.

The opportunity for the criminal is reduced through neighbours watching out for one another. This whole program will help to discourage crime.

Through Neighbourhood Watch, citizens are taught how to make their homes less inviting as a target for thieves—by improving their own security, installing deadbolt door locks, checking on their window locks and installing lights outside. Using these and other techniques, a town house, an apartment or a private residence can be made far more secure.

Through Neighbourhood Watch, citizens are taught how to participate in Operation Identification. When one's valuables are marked with an electronic pen, putting one's licence number thereon, the police have a much easier time identifying and returning stolen goods to the owner; and the thief is less likely to want marked goods.

Through Neighbourhood Watch, citizens are taught how to be alert to suspicious activity in their neighbourhood. Looking after one another's interest is the key to a successful program. This is the most effective way to combat crime before it starts. A side benefit to Neighbourhood Watch is that people get to know their neighbours, which can open up new friendships.

The manual on Neighbourhood Watch which has been prepared for police forces across Canada and for block captains participating in that program says, "Neighbourhood Watch will ultimately involve citizens of areas across of Canada who will be trained to report suspicious activities in the neighbourhood and will develop other techniques of crime prevention, such as home security methods, personal property registration and seminars on crime in their areas."

Some of the highlights of Neighbourhood Watch are as follows: In the United States, for

instance, right now there are more than 20,000 Neighbourhood Watch groups existing in every state. Even that number is just the tip of the iceberg: the program is growing and many other groups not even tied to the national organization are participating in a neighbourhood crime prevention program.

One of the great success stories is in Detroit. There, civilian participation in crime prevention has reversed the trend of increased crime. More than 600,000 residents in Detroit are involved in crime watch programs. The result is that Detroit has enjoyed a 28 per cent reduction in reported crime in the past three years. In the inner city of Detroit the decline has been 40 per cent.

**3:50 p.m.**

Another city that has shown significant progress is St. Catharines. I am sorry the member for St. Catharines (Mr. Bradley) is not here, but St. Catharines has a great success story in working with the Niagara Regional Police Force. Five Neighbourhood Watch areas there are working with approximately 1,500 homes. These homes originally had a very high rate of break, enter and theft. From 1981 to the present, there has been a decrease of 23 per cent in the rate of break and enters throughout that region.

An area in Etobicoke, Markland Woods Estates, also has a Neighbourhood Watch. Last year there were 23 reported incidents of break and enter. This year, with Neighbourhood Watch in effect, only four incidents have been reported.

Another point of interest is what happened just a few weeks ago in North York. A citizen who had attended a ratepayers' meeting and was returning home had been alerted to start looking around and watching his neighbourhood. He saw three suspicious-looking people in someone's backyard. He reported them to the police and the three were charged.

As co-chairman for the town of Markham with Mayor Tony Roman, I have been involved in Neighbourhood Watch and have seen the satisfaction the community has in having such an important group being concerned about crime prevention within the community. We are too young an organization in Markham to appreciate fully its long-term effect, but we are convinced that the statistical proof, as verified in Detroit, St. Catharines, Chatham, Etobicoke and other areas, will be verified in our community. I am pleased as well that Neighbourhood Watch programs are already under way in

Richmond Hill and Oak Ridges and there too can become a useful deterrent to crime.

One of the real starting points for Neighbourhood Watch was a magazine called *Homemaker's Magazine* which is distributed in homes across this country. It had a feature article in April. Through that article, many hundreds of people are calling in and taking a more significant interest in what this program is all about.

I wish to thank publicly *Homemaker's Magazine* for the public service it is rendering. In 1974, it had an article on the Block Parent program. It was through that article that I was involved with the York Region Board of Education and we were able to start the Block Parent program. Through the initiative of such a conscientious magazine as that we were able to capture the idea and put it to work. We all know how successful Block Parent programs are across this country now.

Commencing in the next few weeks, the *Toronto Star* is going to launch an advertising program. It is an awareness program for Metropolitan Toronto so that people can learn more about what this program is all about. They can attend meetings and possibly get more involved with it.

This kind of support from the media is appreciated. I think it is time the whole of this government and the people of this country recognized the power of the press to do positive things. This is one area in which I see a very significant interest being taken by the media.

Neighbourhood Watch programs are springing up at an explosive rate in many communities across this country. The first two cities to have programs were Burnaby, British Columbia, and Ottawa. They established programs and, from there, it has mushroomed. We now have programs in Chatham, Niagara, Kitchener-Waterloo, Etobicoke, Georgetown, Oakville, Sault Ste. Marie, Thunder Bay, Collins Bay, Hamilton, Brantford and North York.

There are other communities that do not necessarily have the same symbol and exactly the same program, such as Collingwood and Belleville. They have their own programs to meet the needs of their own communities, having within them the deterrents that are effectively a part of what Neighbourhood Watch is all about.

Many ratepayer groups are contacting their police forces today to have Neighbourhood Watch programs explained and organizational help provided. Here, I think, we see a whole new aspect of our police forces where they are not



out there trying to nail someone or trying to capture someone but are doing their job of prevention. As those communities are searching for assistance and guidance, we will find the police forces in the Metropolitan Toronto area responding to those interested groups that want to start such a program. The examples I have seen are in the Niagara region, Chatham and my own region of York.

The support being offered by the police is a significant step forward. The community relations officer with the York Regional Police Force, Sergeant Fred Tufnell, has been sponsoring and supporting a number of groups. He says it is difficult to say how well Neighbourhood Watch works when there are only a few scattered programs in effect, but as more groups start up we will see some definite results.

We are seeing the movement affect such large corporations as Cadillac Fairview. They are now seeing the need for it in their buildings, and it is expected that they will start a program in Bayview Village. The area where Jenny Isford was murdered recently also may be an area that has a need for this kind of program.

The signs identifying the Neighbourhood Watch program in a community will be as effective against criminals as the Block Parent signs have been against those who prey on children: their effect will be deterrent. They will indicate that the neighbourhood people are watching out for one another and showing concern and care for the needs of others. I have seen the Neighbourhood Watch signs in Chatham and in other places in the province, and the criminal element will think twice before victimizing these neighbourhoods.

I am very pleased to see that our province is participating in this program this summer through the Experience '82 program. Some 58 students will be helping police forces establish Neighbourhood Watch programs in 46 Ontario communities. They will knock on doors and explain the program to people to solicit their support and get them involved. When neighbours work together through this kind of organization, the police have a focal point of support for the program.

The Solicitor General of Canada is also to be commended for the impetus he has given to this movement. The program in Chatham and in some of the others locations across this country receive a significant amount of financial assistance from his department for the publication of brochures, leaflets, signs, stickers on doors, as well to get the program organized.

Once the program is under way, it will be self-running and will not require a continuing infusion of funds. It will be able to run itself as the neighbours keep the operation going. This will not be an expensive program for our government. It should not cost more than what is spent on the Experience programs in the summer, on printing costs and so on.

This program offers all of us a way to take a significant interest in our own communities. I hope this resolution will receive the unanimous support of this House so that members may go back into their communities and take an active part in organizing their own program, to act as co-chairmen of the program in their communities and to let the people know there is a program in effect and that it has their sponsorship and support.

Mr. Speaker, I will reserve the remaining time for windup.

**Mr. Van Horne:** Mr. Speaker, it is a distinct pleasure for me to be able to join this debate and to support the motion of the member for York Centre. I hope these few comments of mine will not be regarded as reflecting only little interest in this matter because, as a matter of fact, I have considerable interest in this whole theme.

**4 p.m.**

My appreciation of this came from my experience in the school system, at which time I became very aware of the importance of attitudes within a community. Quite candidly, I do not recall seeing many graffiti or anything that was really untoward when I was in school as a youngster. I started my schooling here in Toronto, and then when my family moved to London I finished my education there.

But as a young person I do not recall seeing anything like that. There was an attitude within the school and within the community that pretty well precluded what we know today as graffiti or vandalism. We did not see things written on the walls in the hallways or in the washrooms; we did not see or have any occasion to find lockers kicked in or windows with rocks thrown through them or whatever.

When I got into teaching, however—and this is now in the mid-1950s—I must say I was shocked to find among the young people I was dealing with a very different attitude about public property and the belongings of others. So as I grew up as a teacher, from classroom teacher to department head to principal to superintendent, I did all I could to try to foster among the students an attitude of caring for

other people's things and to try to preclude whatever it is within people that makes them take the belongings of others lightly.

That was a tough thing to do in the society that we all experienced in the 1950s and 1960s. We had a lessening of moral standards within our churches and within communities at large; we had an increase, and we still have an increase, in the number of divorces; we have a wholly changed attitude about life in general, and I think it is reflected in such things as crime and vandalism.

So I would submit to members that one could not do anything but support this resolution, and I hope that along with it we can encourage an attitudinal change within families and, beyond that, with school children so that ultimately we might get rid of this terrible cancer that is growing in Canada.

I have had other personal experiences that I would like to relate and that I think are germane to this debate. I am a member of the public utilities commission in my community. The community of London, Ontario, is unique in that the public utilities commission is responsible not only for hydro and water distribution but also for parks and recreation. You see, at one time we used to draw our water from wells. Back in the old days when people had to go and get their water they would often do it on weekends or alternative days. It was a long hike, and they would have to stop and rest; and around these watering holes we developed some parks. As the city grew, from the 1800s through the early 1900s, these parks also became play areas, with baseball diamonds and what have you, so the utilities commission developed the responsibility for parks and recreation.

This was all well and good. But as we became more sophisticated, as our old outdoor rinks grew into covered arenas, as ordinary playgrounds then had rather sophisticated change houses and plumbing added to them, they became very expensive. They also became the target for some of our thoughtless vandals. At times, we as utilities commissioners and as parks and recreation commissioners were distraught to see our rather limited budget hammered through having to repair the damage done by vandals.

So we encouraged neighbors living close to our parks and to our recreational areas to call if they saw anything untoward. As simple as that sounds, it was tough to get them to do it. There seems to be within the mind of the 1980 or 1970 person a certain reluctance to get involved with

the law, a certain reluctance to bear witness to some misdemeanour. If we have that and cannot do anything to change it, we are not doing a service to ourselves or to our community.

By talking about it, as we are here, by encouraging more people to be more attentive to such things as burglary and vandalism—and again I commend the member for his resolution—I think we can break down that wall and can get people to realize that if they do not do it, nobody will. I am disappointed—that is probably too weak a word to use—I feel very badly when I hear of people being beaten up in the streets, with hundreds or dozens or a significant number of people watching and not coming to the aid of the victim, even to the point of refusing to call the police.

The police do not have an easy job these days. They cannot be everywhere all the time for everybody. So when incidents do happen and when someone is in need, I think the very least we can do is call for help. Again, this resolution, as I understand it, is to take positive action within neighbourhoods to try to make communities better and to try to reduce the incidents of vandalism, burglary and what have you.

I am aware of the experiences referred to in Detroit, having some relatives in that community. My colleague the member for St. Catharines has indicated his appreciation of the efforts that have gone on in that community co-operatively with the regional police. Beyond that, I think those communities that have moved in an area similar in general philosophy but not directly related, such as the Block Parent program, would all commend that sort of action very highly.

I was delighted the example of Block Parent was used, because we are all aware that the Block Parent program in Canada got its start in London, Ontario. As a matter of fact, it got its start in London North. A lady in our community, by the name of Margaret MacGee, worked very hard to encourage the provincial government to share some of its wealth and assist Block Parent in developing a film that could be used for parent-teacher organizations across Canada. I had the pleasure of working with her and of encouraging the Provincial Secretary for Social Development (Mrs. Birch) and her assistant, the member for Mississauga North (Mr. Jones), to a point where some money was forthcoming for the development of that film.

I want to make reference to one other item, that is, the support of the police for this program. These days they are beleaguered with



the various jobs they have to do. I had the pleasure of introducing to this House a bill entitled, An Act to amend the Consumer Protection Act, which essentially would provide protection against the sale of stolen property. That is a theme which is related to what we are trying to arrive at in this resolution.

The very week after I introduced the bill, after a small notice in the press, I got a letter of support from the president of the Ontario Association of Chiefs of Police. That association is very keen to see this Legislature do anything at all it can to encourage such things as Neighbourhood Watch, such things as protection against the sale of stolen property, and to protect against vandalism, etc.

I would end with a strong vote of appreciation to the member for bringing in this resolution and I would encourage everyone to support it.

4:10 p.m.

**Mr. Philip:** Mr. Speaker, I congratulate the member who introduced this for one reason, which is that it is important we look at the problems that are being faced, the problems being brought to our attention through the debate of this resolution, and that we ask ourselves what is the best way of coping with the kinds of problems he is talking about.

I do not doubt that if the member introducing this resolution and I were to sit down and list our objectives, we would be in complete agreement. Therefore, the only question is how can we best achieve those objectives?

We have evolved a long way from the days of the wild west when posses went out to hunt the bad guys who had terrorized the community. We have evolved a long way from the early days of the Ku Klux Klan which was allegedly set up with legitimate motives, but later evolved into a group of bullies who terrorized the community, who terrorized people of minority religions, ethnic and colour groups.

We have developed a police force that is independent and that is accountable. We have debated in this House, over and over again, particularly in the case of the police bill that came before us, how we can make that police force even more independent and even more accountable.

In my own riding, I have worked closely with the police. I have worked with them, as the Solicitor General (Mr. G. W. Taylor) well knows, in encouraging that more money be spent for such things as community police officers, who will meet with young people and talk with them, and who will act as both police

and social workers. I have worked closely and encouraged tenants' groups to invite the police prevention officers to come in to meet with groups to tell them how they can protect their homes, how they can be aware of peculiarities that may be happening in their neighbourhood and how each one of us has to be responsible for each other.

However, recently when I have looked at the statements in the newspapers concerning the very matter which this bill deals with, quite frankly, I get a little nervous.

For example, there is a headline in the Toronto Sun, "Lastman Takes Aim at Vandals." Great, one says. We are all against vandalism. It all costs us money. Here is what he describes as solutions: "Hotlines for people to report incidents of vandalism without having to reveal their identity." To me, that sounds an awful lot like the kinds of things that are encouraged in Fascist countries and in Communist countries around the world.

He also suggests Neighbourhood Watch programs in which people establish a formal network of people keeping an eye on each other's homes and apartments. One has to ask who will elect these people? Who are they responsible to, and how do we deal with the abuses, if there are any, of such groups? Another suggestion is teen patrol programs in which responsible teenagers patrol vandal prone areas. So we turn teenagers into policemen.

Another suggestion is public education programs, and one agrees with that.

An article about Brantford, in the Globe and Mail, has the headline, "Things are changing in Brantford." In Brantford, peace-loving residents once planned to organize armed vigilante groups to protect neighbourhoods from vandals. They wanted to take things into their own hands, and so forth. The article says this is a kind of solution to stop that.

Yet, when I look at the Toronto Star of March 12, I see the town's vandalism committee and the Oakville Trail Riders, a group of private horse owners, have proposed a scheme to replace the mounted police patrol in Lions Valley Park that was run by the Halton force last summer. The plan goes before the town council on Monday.

Some of these groups start off with noble intentions but we see a move towards them being a form of untrained police persons. Is that the way we want to go? I suggest that is dangerous. It means there are groups that are unaccountable to anyone other than themselves.

We have other ways of dealing with the problem.

When I go into a part of my riding which is largely populated by Italian-speaking people or people of Italian origin, there is little vandalism. There is a sense of community. There are community groups. It is a stable community. If anyone goes in there and dares do something to another person's home, immediately the police are called and action can be taken by those capable of dealing with the problem and who have the authority vested by the state to deal with that problem.

Yesterday, I appeared at the Ontario Municipal Board. Through bad planning in one area of my riding, we are putting up apartment complexes, box on top of box, with few recreation facilities, few kinds of social programs and very little for the people, for the teenagers in those buildings so they can spend their time in a constructive way. We get a large amount of crime in those buildings, crime which we do not find in the other areas where there are social organisms to give a sense of pride and a sense of security.

When I go into the Ontario Housing Corporation area of the riding where even though there is not crime to the same extent as in the high-rises we still have the problem of vandalism, I see the Ontario Housing Corporation going in and destroying work done by tenants' groups because some bureaucrat has a contract order to take all the trees out and put in a whole bunch of others.

A program which a committee of this Legislature passed, a program that showed us ways of combating vandalism in government-owned housing, was defeated by the majority government. It showed ways of making people in the community, people living in government housing feel they had a say in their environment, ways of having on a yearly basis a budget that could be examined in the public way; not decided on by the tenants but at least examined so they felt some sense of responsibility. The government, with its majority after March 19, 1981, chose to defeat that report. I saw ways of making government bureaucrats more accountable, and I saw the government defeating that.

There have been proposals by tenants' groups for funding. In areas of my riding where there are tenants' associations, we have had a tremendous decrease in vandalism; but these groups are not set up exclusively to spy on one another, they are set up as a way of providing a sense of the importance of their environment, of know-

ing what the costs are and, therefore, of discouraging the kind of vandalism we experience.

In the condominiums in the riding I represent, we do not have a large amount of vandalism because each of us knows the cost of vandalism is a cost both out of our pockets collectively and out of our pockets individually. Therefore, as a board dealing with our own environment, that kind of thing is reduced.

The objectives of the mover of the motion are commendable. When I have private conversations with the member, he and I often agree on many things. I find him a reasonable and interesting person to talk to.

**Mr. T. P. Reid:** It could mean you are both wrong.

**Mr. Philip:** That is a possibility but, as the member for Rainy River (Mr. T. P. Reid) is someone who has talked for six hours without saying anything, I imagine that the mover of the motion and I are more right than the member is most of the time.

**Mr. T. P. Reid:** Mr. Speaker, on a point of order: I talked for 7½ hours and I have said lots.

**Mr. Philip:** I was talking about—

**Mr. Boudria:** Nothing.

**Mr. Philip:** Yes, that is what I was talking about. I was talking about nothing. I was talking about the member's Treasury critic's speech of six hours and that was nothing.

**4:20 p.m.**

**Mr. Boudria:** I thought you were talking about nothing.

**Mr. Philip:** I suggest that what the member wishes to do is commendable. I am concerned about the operation of these groups, I am concerned about what they can become and I am concerned about the fact that instead of going in this direction he should have looked at other ways of achieving the same objectives in a much more constructive and positive way.

**Mr. Watson:** Mr. Speaker, I am pleased to join in the debate on this resolution this afternoon, which acknowledges the positive contributions of the Neighbourhood Watch programs. I am not so sure I agree with all of the comments of the member for Etobicoke (Mr. Philip), except perhaps the latter part of his presentation when he got talking about the nothing that was coming from over there. If you are going to talk about nothing and do it well, I guess you have to spend a lot of time at it. That is what they say about some people in retirement: if they are



going to do nothing and do it well, they have to spend a lot of time at it.

I am particularly pleased to support this resolution and to be able to represent the city of Chatham, where this program has enjoyed considerable success. This success did not just come about by accident; it came about by good planning, a program carried out as a result of the planning and support of the community and the citizens involved. The city of Chatham is now in its second year of the Neighbourhood Watch program, and at the present time it is working on its third neighbourhood area within the city.

I would like to spend a few minutes going over the actual steps of the Neighbourhood Watch program as it was carried out last year and is being carried out this year in the city of Chatham.

The first step, of course, involves getting organized to do something, and the Chatham police force was the motivating factor through Constable Eric Johnson, the safety and crime prevention officer. A project leader was selected both last year and this year with three or four project workers, who are summer students and who in Chatham were financed by a grant through the federal Solicitor General and through the Experience programs of the provincial government.

An area that can be designated as a neighbourhood is selected, and the people within that neighbourhood are sent a letter concerning the project. For example, the May 11 letter to home owners in the area selected for this year reads as follows:

"Dear home owners:

"Subject: Neighbourhood Watch program.

"The crime rate has been on the increase in your neighbourhood, as indicated by our statistics. In the year 1981 there were 324 reported criminal complaints in your 26 block area bounded by Grand Avenue East, McNaughton Avenue East, Taylor Avenue and St. Clair Street.

"This represented a risk factor for you of 25.53 per cent. In 1981 you stood a one-to-four chance of being a victim of a crime. We have broken down the reported crimes into four sections: break and enters, vandalism, minor thefts, major thefts.

"Already this year our statistics indicate that this rate is on the increase and your risk of being victimized is even greater. As a police force we are very concerned, and with your assistance we feel we can halve this trend and, in fact, reduce it with your help.

"The method is the Neighbourhood Watch program. The objectives:

"First, to create an attitude of citizen involvement in our community at the neighbourhood level.

"Second, to give citizens an active outlet when they ask, 'How can I help the police?'

"Third, to have each citizen actively interested in protecting his neighbourhood and have them automatically feel that they should call the police if they observe suspicious or criminal activities.

"Fourth, to eventually carry this neighbourhood involvement into the whole community so that a citizen feels that he has an obligation to become involved, regardless of the amount of actual involvement, if he observes anything suspicious or criminal, no matter where he is.

"Over the next three months students from Experience '82 youth employment program, sponsored by the Solicitor General of Canada, will be in your neighbourhood to acquaint you with the Neighbourhood Watch program. There will be a total of five students working for the benefit of your neighbourhood, this community, and we respectfully request that you support them as much as possible.

"All of our students will be carrying Chatham police force identification cards, and will produce them when they arrive at your home for an initial survey.

"We anticipate a very active summer, with specific crime prevention programs in your neighbourhood, such as security checks, property identification, etc.

"For further information regarding this or any other crime prevention problems, please feel free to call us between 9 a.m. and 6 p.m. . . . Chatham Police Force," the telephone number, etc. and it is signed Thomas J. Bird, Chief of Police.

According to the letter, the second step is a survey, which consists of 24 questions with an option of five different responses. To assist in the analysis of the survey, the computers at the Kent County Board of Education were utilized last year. From the 1981 areas, it was discovered, for example, that 83.2 per cent of those surveyed were either interested or very interested in learning more about the program. It was also discovered that within a 12-block area surveyed, there were 112 unreported crimes, which indicates that the crime problem was greater than the police records indicated.

The third step was to hold block meetings. These meetings covered such items as the role

of the Chatham police force and the Neighbourhood Watch program, the early warning telephone system, home security, and a guest lecturer from Chatham locksmiths.

The fourth step was the home security check and Operation Identification. Step five was a group meeting for the volunteers to outline duties in connection with the early warning telephone system; and the sixth step was a series of block meetings to introduce all the captains and supervisors for the early warning telephone system.

A positive example of what can happen occurred at 33 minutes past midnight on July 22, 1981, when the Chatham police received a call from a Neighbourhood Watch program resident reporting a break and enter in progress, which enabled the police to make two arrests at the scene. People are indeed becoming more aware that things are happening around their own property.

I recently had the opportunity to discuss the Neighbourhood Watch program with the person involved in business in the city of Chatham, because they had received a call at six o'clock in the morning as to what their particular truck was doing in the community at that time. The first reaction this business person had was, "It's really none of your business." But the second and sustained reaction was, "Isn't it good that people are taking an interest in their community when they realize that the benefits of having people make sure that commercial vehicles in their neighbourhoods at odd hours are indeed legitimate?" It was to this business person's advantage to have people wondering why this truck was in the community. In other words, someone could have been using that vehicle for crime and the business itself would have been the loser.

The Neighbourhood Watch program in Chatham has had excellent support from all of the printed and electronic media, the Chatham city council and various community-oriented service groups.

The final step in the Neighbourhood Watch program is the erection of signs supplied by the city of Chatham at the entrance to the target zones to advise the residents and the visitors to Chatham that it is a community working together to prevent crime.

One of the areas that entered into the Neighbourhood Watch program last year was analysed with a six-month comparison during the last six months of 1981. The results are extremely encouraging. There was a 50 per cent

reduction in reported crime, and a 73 per cent reduction in break and enters. In the other Neighbourhood Watch area established last year there was a 16.6 per cent reduction in crime, and when we consider that in combination with a city-wide increase of 38.5 per cent in residential break and enters, this represents a reduction of just over 55 per cent when compared to the city as a whole.

It is an old saying that an ounce of prevention is worth a pound of cure. The Neighbourhood Watch program certainly falls into that category. It is a positive, preventive program which can be undertaken in many communities.

I want to congratulate the member for York Centre for bringing this resolution forward today, and I am very pleased to support the resolution because the community of Chatham, which I represent, has had success with it and will be very pleased if it can be continued and duplicated within our own city as new neighbourhood areas are designated. It is a program which our city and our police force would be very happy to see duplicated throughout other communities and neighbourhoods across Ontario.

The news in Chatham of recent times has not been very great. We have had a lot of people with doom and gloom, but this is a positive program that is the responsibility of the city of Chatham police force, the council and all the groups. I am proud to be associated with it.

**4:30 p.m.**

**Mr. Boudria:** Mr. Speaker, I would like to speak in support of the resolution of the member for York Centre.

**Mr. Di Santo:** Tell us why if you can.

**Mr. Boudria:** It seems the member for Downsview (Mr. Di Santo) is questioning my support, but I am in support of that resolution.

I do have some reservations, Mr. Speaker, and I will preface my remarks by outlining them to you. My reservations are as follows. I would not want Ontario to get to a point where we would have Guardian Angels here, there and everywhere assisting us in the protection of our citizens. But this resolution does not say that. It is quite clear we are referring here only to the Neighbourhood Watch programs, and I feel they are a valuable contribution.

I had the personal experience of a robbery at our place a little over two years ago. It is a very traumatic thing. Although there was nobody at home when it happened, it stayed with us for months after the event took place, not to



mention the loss of property we incurred and the vandalism that also occurs in a situation like this. In December 1979, my wife and I were at a hockey game in Montreal and when we returned to our home that evening we found the front door wide open in the middle of winter and our stereo set, our television and a host of other things had disappeared. The burglars had broken the front window of the living room to gain access to our house; in the middle of the evening seemingly, because we left around six o'clock that night.

The strangest thing is that neighbours saw them and did nothing. They did not see them breaking the front window, but they did see three cars stop in front of our house, stay there for 15 minutes and then leave. That was partly, I guess, my fault. In our area we were not very concerned about these robberies because we had not had very many of them and our whole community just did not have a spirit of watching out for these things. I neglected to tell my neighbour, who is also a relative, I was leaving for the evening and to ask if he would be so kind as to look out and, if he saw anything strange going on, to phone the police. When he noticed strange vehicles there he thought there was a party at our house and a few people had dropped in. Then he looked out the window again and saw the cars had all gone and thought: "Well, maybe it was not a party. Maybe it was just a few people dropping by who then left."

When we came back at two or three o'clock in the morning, the furnace had been running all evening, causing damage to the heating system. Other things had happened; and our property was gone and we never did relocate it. All this was caused by that lack of community involvement that programs such as Neighbourhood Watch are designed to assist. So I welcome this kind of action. The only reservation I have is that I do not want these groups to start thinking they are police, because they are not. Once we reach that stage, if we ever do, then it will become dangerous. My fear is of the Guardian Angel type of phenomenon or the vigilante group that was referred to by the member for Etobicoke a while ago. Nevertheless, we do not address that in this particular resolution.

I would like to talk briefly about why we have this resolution. That is something that should be addressed. In my own area we are protected by the Ontario Provincial Police detachment at Rockland, Ontario, which is in my constituency. In 1971, there were 26 OPP officers in that detachment. Eleven years later, in 1982, we

have something like 20 police officers there while the population has grown by 50 per cent and the crime rate has increased.

Of course, if in 1971 we had the required number of police officers, and since then our population has grown by 52 per cent and the OPP detachment size has been reduced by one third, needless to say we are drastically short of police protection. That is one of the reasons groups such as these have to be formed.

Perhaps one of the things we should address is not do we need protection but how did we get into this situation that has created the need for Neighbourhood Watch programs. I would like to suggest that is directly created by the neglect of the government of this province to provide the necessary protection for its citizens.

We can talk briefly about the police grants, which are inadequate. We know that in regional municipalities the grants are something of the order of \$17. I believe for local police forces, where there are no regional municipalities the grant structure is such that the forces get \$12. That discrepancy is totally unjustified because one has no choice as to whether one lives in a county system or in a regional municipality system. In many cases that is not one's choice, that just happens to be the way the government is set up there, but each requires an equal amount of policing. I would suggest the government should rectify this situation immediately.

Our party has spoken on many occasions about this shortage of funds for local police forces. I believe the government does not really address that problem. Perhaps members of the government could say they have addressed it by increasing the grant structure by \$2 per capita, but that still does not resolve the problem, of course, because there is still a discrepancy of something like 30 per cent between the two grant structures, that of a regional municipality and the area outside of one. That is another reason we lack police officers in certain areas of this province, and that lack of police creates an atmosphere where burglars can commit crimes knowing there is very little chance of being caught.

In my remarks a while ago I illustrated the problem we had in our own house a few years ago. Shortly after that there was a rash of these robberies in our area. It lasted for something like three or four months. One of the homes was robbed twice. It got to be very serious. Local residents just did not know what to do. People

were afraid to leave their homes to do the grocery shopping.

In one of the cases that is exactly what happened. A person left home and went to shop for groceries at the local store in the village. He did not even go to the city, just to the local village, and came back perhaps 45 minutes later to find the house had been robbed. All this is caused by what I consider to be a lack of proper OPP protection in our area.

The problem is compounded in my constituency by the following situation. In the daytime that detachment in Rockland is manned by 20-odd police officers. At night the detachment shuts down. There is nobody in the office. If one happens to see a robbery at night, one must phone a different telephone number. Of course, if one is new in the area one would not know that; or if people have lived in the area all their lives but have never had to call the police they may not be aware they have to phone a different number at night. There is not even a recorded message.

If one dials the OPP number at Rockland, which I believe is 446-4101 or 4014, something like that, the phone will ring and nobody will answer. If somebody tells me that is an adequate and proper way to run a police detachment when we have the crimes that we had in our area, I would say that is totally inadequate. What we should have in the area is the same telephone number in the daytime and at night. Of course, I think the detachment should be open 24 hours a day. But in view of the fact that it is not—and I respect that perhaps there is a shortage of funds there and they cannot keep it open 24 hours—the least they should do is keep the same telephone number with perhaps a switching system so the citizens of our area are not confused by the situation the OPP have created.

**4:40 p.m.**

In conclusion, I would like to reiterate that although we share some of the concerns of the member for Etobicoke when he says we do not want vigilante groups operating, I do not feel this resolution encourages vigilante groups. It encourages a specific program which is known as Neighbourhood Watch. I feel that program is valid and I would like to offer my support.

**The Deputy Speaker:** The member for Downsview has approximately four minutes.

**Mr. Di Santo:** In four minutes, Mr. Speaker, I would like to express my thoughts on this resolution, which I do not think is of extreme

importance for the Legislature. Actually, it follows a pattern established by the Conservative back-benchers who, week after week, are introducing resolutions that are totally inconsequential. If they are not an abuse of private members' hour, they certainly do not contribute to the debating of issues that should be important and should suggest that the government undertake serious legislation in areas of concern.

When I was listening to the member for York Centre and I was listening carefully, he said that when this legislation is passed he hoped the members would go back to their ridings and take leadership in this program because it would not cost the government anything.

Private members' hour has a specific purpose. It has the purpose of suggesting action to the government in areas where the member thinks the action of the government is deficient. I think with this type of resolution the member for York Centre is not moving in that direction at all.

Apart from that, I want to share the thoughts expressed by my colleague the member for Etobicoke. Briefly, if we have the type of crimes the member for York Centre lamented in introducing this resolution, it is superficial and silly in a way to suggest we can solve the crimes by setting up this type of voluntary neighbourhood organization.

We can see historically that crime increases whenever the social fabric is subjected to serious pressure because of the deterioration of the economic situation. When people are unemployed, when there are young people in Ontario who are the group in our society which is experiencing the most cruel unemployment since the 1930s, if some of those young people are kept idle because of the inefficiency of the policies of this government, is it any wonder some of those people turn to crime?

When there are situations like that in the Jane-Finch corridor where there has been an accumulation of incredible high-rises to help the interests of the big land speculators, is it any wonder that is one of the areas where criminality is higher than in other areas? This is why this resolution is useless and that is why the member has wasted our time. I will vote against it.

**Mr. Cousens:** Mr. Speaker, I appreciate the comments that came from the member for London North, the member for Prescott-Russell and certainly the member for Chatham-Kent. The member for Oriole (Mr. Williams), had he had a chance to speak, I know had a tremendous



amount to say about the success this program has had in his own riding.

I do appreciate the comments of the member for Etobicoke and the balance he tried to bring to it. May I suggest that he read in last night's edition of *Neighbours* in the *Toronto Star* about some of the things that are going on in his own area. One of his residents has been very instrumental in starting this program. I know they will appreciate the kind of view the member is taking, which is basically supportive but also sees a need within the whole community that goes beyond just this program.

May I suggest to the member for Downsview that certainly there are problems in the world, but we as leaders and representatives of our communities have a responsibility to speak out not only here but wherever we are by our example and by our actions in this House. And in supporting this resolution we are saying: "Our society needs the help of everybody to make it work effectively. The police cannot do it alone, and we can help the police."

I hope the honourable member will reconsider his position, come to an honest assessment and say, "This is one positive support mechanism that can be set up within our communities to make them better and safer places to live." That is the hope I had in this resolution. I see it as something that is close to the very real things the member for Prescott-Russell talked about. He has suffered the effects and ravages of a crime in which someone has taken things out of his own home.

I would hope that when we are in the state we are in in Canada today we can go back to some of the things the member for London North talked about: an improvement in the basic attitudes people can have in life, a respect for one another and a respect for one another's property. That is what this motion is all about.

One can legislate some things, but we cannot legislate common sense. What we are talking about in this simple Neighbourhood Watch program is a common-sense approach to people helping one another in their own communities in a positive and good way.

I thank you, Mr. Speaker, and I thank all honourable members for giving their attention to this important subject. I know those people who have suffered the effects of crime will appreciate knowing that something can be done by working together in their own communities.

**The Deputy Speaker:** Thank you, and thank you for abiding by your time.

## NUCLEAR DISARMAMENT REFERENDUM ACT

Mr. Epp moved second reading of Bill 133, An Act to authorize Municipalities to obtain the Opinions of Electors with respect to Nuclear Disarmament.

**The Deputy Speaker:** I would remind the honourable member that he has up to 20 minutes, and I would ask him now if he has given thought to reserving any of that time.

**Mr. Epp:** Mr. Speaker, I will reserve just a few minutes for the end; I will see how much time I have left after I make my opening remarks.

**The Deputy Speaker:** Five minutes?

**Mr. Epp:** Okay.

I am very pleased to have this opportunity to speak to what I consider to be a very important subject. It is somewhat by accident that I am able to address this subject at this time because my colleague the member for Essex South (Mr. Mancini) was supposed to be on the ballot today, but unfortunately he is quite ill and was not able to have his opportunity. As a result, through those circumstances my ballot came forth through the unanimous consent of this House. I appreciate the opportunity of speaking to what I consider a very important piece of legislation at this time.

I also want to acknowledge the presence of Mr. James Stark from Ottawa, who is the director and founder of Operation Dismantle. Mr. Stark has done a considerable amount of work on this subject. He is one of the people who spearheaded the referendums at the municipal level, and I think it is important that we recognize him at this time. There are some other people in the gallery who, I understand, wanted to be present for this debate today, so I welcome them here. I am sure there are a number of members who want to participate in this debate, and I will try not to be unduly long.

I would have preferred that there had been a government bill that had come forth to support this principle because of the somewhat ambivalent feeling some municipal leaders have with respect to having a referendum at the municipal level. Since that bill was not forthcoming, and because the Premier (Mr. Davis) and the Attorney General (Mr. McMurtry) have tried to make some clarifying remarks since that time, I am pleased to put my bill.

**4:50 p.m.**

I also want to acknowledge the presence and the contribution of the member for Rainy River

(Mr. T. P. Reid) with respect to referendums. This particular bill was put forward as urging a referendum at the municipal level, but the member for Rainy River, who has had a lot of experience of speaking in this House from time to time, has a bill, which I think is Bill 32, on the Order Paper with respect to referendums. We will not go into that today, but it is a very important bill.

I hope my private members' bill will have the support of all members of the House today because it is so important. I know the member for Brantford (Mr. Gillies), the member for Ottawa Centre (Mr. Cassidy) and the member for Renfrew North (Mr. Conway) have worked on the possibility of having a world referendum, a very important move. I think many members of this House support that principle, that concept and that move. I would say this is stage one in trying to get to that point eventually. That may be a few years down the road; nevertheless we can do something right now about that subject.

My bill authorizes municipalities to have a referendum on nuclear disarmament. A number of municipalities such as Toronto and Ottawa have decided to go ahead with that referendum. At first, there was concern by the Ministry of the Attorney General and its lawyers that the municipalities might not be able to have a referendum. Since referendums on nuclear disarmament are considered to be a federal matter, they felt it might in some way invalidate the other matters before the electorate at the time of the referendum, such as elections to school boards, municipal councils and other referenda on local matters.

The Attorney General had his counsel look at this matter and made a statement in the House on June 10, which I will read for the record, "It would be most unlikely a municipal election would be declared null and void only for the reason that a question on nuclear disarmament appeared on the ballot... anyone seeking to upset the results of a municipal election because an unauthorized question was also put to the electorate undertakes an almost impossible task."

Although it appears municipalities are safe with respect to other matters that come before the electorate in November, there is still a feeling by a number of lawyers that if a referendum on nuclear disarmament were held it might still be challenged in the courts. Nobody knows for sure until it actually gets to the Supreme Court of Canada whether they are safe or

whether those other matters will be declared null and void as a result of the referenda.

It is my contention that by putting this bill before the 125 members of this House and by having their support, the municipalities would feel safe in going ahead with their referendums if they desired to do so. There are many municipalities that want referenda. For the record, I would like to read some of the things municipalities wanted. I might say there are 43 municipalities in Ontario, representing approximately three million people, that have endorsed the concept of the world vote, and a lot of those municipalities would like to have a referendum at the local level. Twenty municipalities in Ontario, representing close to two million people, want to conduct the referendum this fall. Among those municipalities are the two cities of Ottawa and Toronto. Hamilton and Niagara Falls, which wish to hold the referendum, have overturned a previously adopted motion to do so because of the legal issue.

My particular ballot item, if it was endorsed by the House, would do away with some of the concern municipalities have. A handful of other municipalities have deferred consideration until they feel very clear and legally safe that they can go ahead and have a referendum.

I might say also there are a lot of organizations that support the idea of having a world vote, and this would be stage one in that. For instance, the Canadian Council of Churches, the United Church of Canada, the World Federalists of Canada, the Canadian Labour Congress, the National Farmers Union and a lot of university and student groups like Sir Sandford Fleming College, Carleton University Graduate Students Association, Carleton University Students Association, Queen's University and so on are some of the many organizations that support this idea.

Because it is such an important issue, it might be appropriate to read into the record what the Premier said on June 10, the same day the Attorney General made a statement on this matter: "There are certain issues that are so wide-reaching and of such global significance to each and every one of us as human beings and as citizens of the world that we have a responsibility to search our conscience and share with ourselves the things we care about most.

"The continued escalation of nuclear armaments, in my view and I am sure in the view of every single member of this House, constitutes a serious threat to the survival of mankind. It is important that we encourage wider public



discussion on this most important issue. It is also important that all Canadians provide whatever encouragement is appropriate for the government of Canada to pursue in the international arena those initiatives that can in some small way contribute to reducing the threats of nuclear war. I believe the government of this country would be eager to reflect the views of Canadians and in so doing express abroad what so many of us feel in our hearts."

The Premier is right. This is a nonpartisan issue. I have tried to deal with it as a nonpartisan issue, and the member for Ottawa Centre seconded my introduction of this bill into the House a few weeks ago. I thank him for that support. Some members on the government side have already indicated to me they will be supporting this, so I treat it as a nonpartisan issue and I hope no one in this House or anyone else will see it in any other light.

If we look at an editorial in the *Kitchener-Waterloo Record* of June 4, which supports some kind of peace initiatives as far as nuclear disarmament is concerned, it reads as follows: "The issue of peace and human survival, as opposed to nuclear war and extinction, seems very much like motherhood: who, including Leonid Brezhnev and Ronald Reagan, could oppose it? It's the logic of the millions of demonstrators who have been taking to the streets to demand that their leaders consider man's survival and disarm. Now! One cannot doubt their sincerity. These are not bored kids with too much time on their hands, or scheming leftists doing Moscow's dirty work. They are serious, concerned citizens of all ages and from all walks of life." That was in the *K-W Record* back in early June.

**5 p.m.**

We can recall back in the 1960s the demonstrators on various campuses, Capitol Hill and so forth, who supported a particular movement at that time with respect to the Vietnam war. The President, Mr. Johnson, was forced not to seek another term because, although he was entitled to seek another term, he felt his position on the war was such that he would not get the support of the Americans. He stepped down in 1968, and Hubert Humphrey became the standard-bearer for the Democratic Party.

This movement is gaining worldwide attention. There have been a lot of demonstrations in Europe, in Canada and in the United States. People are very much concerned with what, as far as they are concerned, is a life-and-death struggle because of the nuclear threat to all of

us. It is something I would prefer that my children, myself or anyone else would not have to experience.

When I speak about this, I want to show my concern, as other members will be showing their concern. When I was driving to London on Sunday morning to speak to a group, I heard a good description of the kind of risk we are taking. I heard this description on the Canadian Broadcasting Corp. news. A fellow said there are two people standing up to their waists in gasoline. One fellow has six matches and the other has eight matches. Both are trying to tell each other that if they have more matches then the world is going to be a safer place in which to live.

It is like telling two people with two revolvers that they are going to be safer if you give them three or four more. I cannot quite accept that, nor can the people in Ontario accept it; that is why the municipalities in Ontario in particular, as well as other people, have indicated they would like to have a referendum and some kind of expression by the people.

When we are talking about expression by the people, I might indicate that a Gallup poll in the United States has shown that 69 per cent of the people in the United States favour a referendum. If a referendum were held, 59 per cent of those people would favour some form of disarmament.

I am no expert on this, and I am not sure what kind of disarmament it would be. Obviously it would have to be a co-operative disarmament by all the nuclear powers of the world. If we do take this step and give this opportunity to the municipalities, we will have a clearer indication of what the people in Ontario really want.

I might indicate that a Gallup poll taken in Toronto not very long ago indicated that 84 per cent of the people support disarmament. That is an astounding figure. You may be elected on the basis of 84 per cent in your riding, Mr. Speaker, but you get a lot of good support there. I do not get it; mine is in the 40 per cent range. Anybody who gets 84 per cent would count themselves very favoured.

I will make this very short. I want to ask all members for their support on this very important private member's bill. I will use the other few minutes of my time later on.

**Mr. Cassidy:** Mr. Speaker, as the member for Waterloo North (Mr. Epp) has said, it is unusual to have a bill that is proposed by a member of one party and seconded by the member of another party, but it was a great pleasure for me

to accept his invitation to endorse and second this bill, a bill to authorize municipalities to obtain the opinions of electors with respect to nuclear disarmament.

In the brief time that I have I want to speak about the issue; I want to speak about the concerns that people have about the precedent this may set with respect to municipal referenda. I would like to speak directly to my friends in all three parties, but in particular to members of the Conservative caucus with respect to why I hope they can support this bill and see it pass second reading.

If we can do that today, I hope this House can find a way next week, when we have a final private members' session before the end of the spring sitting of the Legislature, to find sufficient time to put the bill through the remaining stages and to make it law.

Just this week we heaved a sigh of relief and a prayer at the ending of the conflict in the Falklands between Argentina and Britain. As a number of people have said, this has brought home to people what war is really like.

The tremors in Argentina at the sinking of the cruiser and the tremors in Britain at the time of the attack on British troops in the landing craft just a week ago when they were seeking to disembark and were caught by Argentine planes indicate the horrors of war. But, let us face it, that is writ small compared to what the horrors of war would be if we were ever to see a nuclear shootout between the nuclear powers, or if we were ever to see a nuclear shootout between more and more nuclear powers if countries as stable and trustworthy as Argentina and Iraq, which are on the brink of getting nuclear capability, were to go forward and acquire nuclear weapons.

Less than 1,000 people were killed in the Falklands war. That is a lot; but I want the House to recall that at Hiroshima 100,000 people were killed and another 100,000 people were grievously wounded as a result of one primitive atomic bomb that was launched by the Americans on Japan.

If people want to know what this is all about and why it is important that people at the municipal level should be able to speak their minds about disarmament through the referenda, I would like them to imagine what would happen if in the course of one day—perhaps in the course of an hour or two—Vancouver, Edmonton, Calgary, Saskatoon, Winnipeg, Ottawa, Toronto, Kitchener, Hamilton, London, Windsor, Sudbury, Montreal, Quebec City, Hal-

ifax, St. John's, Thunder Bay, Moncton, Charlottetown and St. Catharines were all to be hit by missiles from a Poseidon submarine or its Russian equivalent. Each of those centres could be hit with a nuclear weapon three times the power of the weapon that hit Hiroshima, with the multitargeted missile heads from two nuclear missiles on a Poseidon-class submarine or the Russian equivalent. Each American submarine carries 16 such missiles.

The deaths in Canada alone would be of the order of two million or three million, and there would be another two million or three million grievously wounded as a result—and that in just one thinly populated country, which is Canada.

This is why the issue is so important and why there is no other issue that is of greater importance. It is why I believe we should be prepared to assure the municipalities that they can go forward with the referenda, which a number of them have already indicated they want to do. I would like to speak more about that, but let me go on to my second point.

The question has been asked: if we give the municipalities the *carte blanche* authority to go forward with referenda on this subject at the municipal level, does it not then open up referenda on all sorts of subjects, and is that not contrary to our traditions here in Ontario?

I point out two things to members. In the first place, this bill simply authorizes referenda on the question of nuclear disarmament. It does not authorize referenda with respect to capital punishment, abortion, religious issues or other matters that lie outside municipal competence. If that were to be done, if the precedent of this bill were to be followed, it would require an act by this Legislature.

The other question is: when we have a parliamentary system provincially and federally, is it not a bit unusual for municipalities to have a referendum on this or any subject? The answer to that is, not at all. The fact is that under the Municipal Act, referenda by the electors are an everyday occurrence. The only reason they do not occur all the time is that dispensations are available through the Ontario Municipal Board.

Major capital expenditures at the municipal level require the assent of the electors unless that assent is dispensed with by the Ontario Municipal Board. In many cases, changes in the ward system require assent by the electors in some kind of referendum. For example, I believe one is going to occur in Oshawa in the forthcoming elections in November 1982. In municipal



government in this country and in this province there is a long tradition of consulting the electors.

Does this affect municipal capital expenditures? No, it does not. Is it very important? I would say it is extremely important to any municipality that is a potential target for a nuclear weapon, because life and death and survival itself are at stake.

**5:10 p.m.**

There is a third thing I want to say directly to my friends, and particularly to my friends in the Conservative Party, to the member for Lakeshore (Mr. Kolyn), the member for St. George (Ms. Fish), the member for Lincoln (Mr. Andrewes), the member for Algoma-Manitoulin (Mr. Lane), some of the other members who are in the House today and those members who are talked to in the next 45 minutes or so.

Many of the Conservatives joined with members of the Liberal and New Democratic caucuses in endorsing the resolution calling for a world referendum on disarmament. The majority of the people who signed the second resolution, which was the one that dealt with the general concern about disarmament, came from the Conservative benches. About 40 Conservatives and about 18 or 19 Liberals and New Democrats respectively signed the resolution, which I would like to read.

It says, "The House expresses its deep concern at the implication for mankind of the continued escalation of nuclear armaments and declares its support for activities to encourage wider public discussion and public education on the issue of nuclear arms, and supports the government of Canada in any pursuit of initiatives which would secure international support for measures which will ensure the survival and wellbeing of mankind."

Seventy-six of us in this Legislature from all three parties endorsed that resolution which, among other things, said that we declared our support for "activities to encourage wider public discussion and public education on the issue of nuclear arms."

The referenda which Ottawa, Toronto and some 20-odd municipalities across Ontario have agreed to hold on disarmament this fall will not by themselves eliminate the nuclear stockpiles and the nuclear overkill. But it is what we can do in this province to help to educate the masters of the world. It is also what we can do in this Legislature to carry out what we said was important in finding every device possible to

encourage public education and discussion about disarmament.

In Ottawa, there is a group that intends to carry on a "yes" campaign. It is a balanced group that comes from many points of the political spectrum, but this fall, while people are contending for mayor and so on, it intends to talk to people about why it is important to support the referendum for disarmament.

They know going into it that, as a matter of fundamental belief, most people who vote in the municipal election will probably support that referendum; but they want people to know why and they want people to be prepared to do more than just cast their ballots. It is a valuable opportunity for public education.

The same thing is happening here in Toronto, where people from many political persuasions and backgrounds are joining together in that kind of education campaign.

Many Conservatives, some 43 members of the Conservative caucus federally, have supported the idea of a world referendum on disarmament. We heard the Premier say in his statement last week, which I welcomed, that "there are certain issues that are so wide-reaching and of such global significance to each and every one of us as human beings and as citizens of the world, that we have a responsibility to search our conscience and share with ourselves the things we care about most."

He said later, "It is important that we encourage wider public discussion on this most important issue." He made a number of other comments. Most of us were in the House at that time when the Premier said, "it is . . . courageous to fight for peace and conciliation."

What is being asked here is that, as a matter of conscience, all of us who have had a chance to express our opinions in this Legislature pass the ball on to the people we represent and say to municipalities: "Look, you won't have to worry about the remote chance that what you might be doing might be out of court. We are going to pass this bill to ensure that if your electorates want to have that chance to state their views about disarmament, you as the municipality will be able to facilitate it without taking unreasonable risks."

I hope the members here on the Conservative benches and the ones who will come in at six o'clock will take this matter seriously. I hope that they will act in the spirit of the resolution which many of them have already endorsed and that they will join with the the member for Waterloo North, myself and many people on

this side of the House in making those municipal votes possible.

If we do that today, I am sure we can find a way that will be unprecedented, or almost unprecedented, to ensure that with all-party support we can get that bill proclaimed after next week.

**Mr. T. P. Reid:** Mr. Speaker, on a point of order: My bill has been referred to and the wrong number was given. I have a private member's bill, which is Bill 37. I believe my colleague referred to it as Bill 32, and I know all members would like to know that in fact it is Bill 37, An act to provide a Referendum Procedure for Ontario.

**The Deputy Speaker:** Thank you. The House appreciates your clarification on the matter.

**Mr. Robinson:** Mr. Speaker, I guess I am compelled to say at the outset that I am sure, no matter which number the bill may bear, it will be of a quality consistent with the general offerings of the member for Rainy River.

Turning our attention back to the matter at hand, though, at least for a few moments, it is interesting to note that we are dealing with two very separate and distinct issues here today. One has been touched on considerably more than the other.

The one that has come into very clear focus in the past 30 minutes or so is the matter of world disarmament. I would draw to members' attention, as I am sure all members are already aware, that Bill 133 does not call on this House or members of this House either collectively or individually to address the question of world disarmament.

However, as long as we are on the subject, I am only modestly disappointed that my friend the member for Ottawa Centre (Mr. Cassidy), as he was enunciating all those who he hoped would get up in support of the issue and this bill, failed to mention me on the way by. I am sure it was inadvertent, and I am sure that, even having not mentioned me, he still would like my support none the less.

To be serious for a few moments, since it is a very serious issue, as I look back over my lifetime both in Ontario and, of course, in this country, I think the greatest gift that has been provided to me by birthright is the gift of not having to enter an armed conflict.

I can say, and I think other members of this House who may be in my age group particularly would agree, that during those years of our lives when we might have been most fit for military

service I always had some trepidation that some day someone, somewhere would push a button or create a situation and suddenly all of us young men and ladies would be mobilized and would have to go once again to defend the freedom of this country that so many people fought and died for not very many years ago.

As the member for Ottawa Centre pointed out, that conflict—the last great conflict, if you will; the last world conflict—was concluded with what still stands as a variation of the ultimate weapon. It is that weapon—fortunately not employed in the Falkland Islands, fortunately not employed in Vietnam and equally fortunately not employed in Korea—under whose shadow we still live here in Ontario and around the world today. I very much enjoyed the analogy about the gasoline and the number of matches, because it really comes down to that when all is said and done.

I do not think there is any member in this House, or likely any person in this province, who opposes world disarmament. I truly cannot believe that somewhere there is a large and significant lobby—I am sorry; perhaps the member for Ottawa East (Mr. Roy) was indicating to me he might not, but I am sure he does anyway—that opposes the concept of nuclear disarmament. It is a fact of life; it is something we need—

**Mr. Roy:** I may reconsider if you are for it.

**Mr. Robinson:** I see. I say to my friend, don't let us keep you if you have a plane leaving tonight. It will be a little later, I suppose.

**Mr. Cassidy:** Come on, Albert.

**Mr. Roy:** You lack no imagination.

**The Deputy Speaker:** Order.

**Mr. Robinson:** Mr. Speaker, what I was saying before I had some help across the way was that I am sure there is no one who does not support the concept of world nuclear disarmament. I do not think anyone would agree that blowing away a significant portion of a city or a country or a province, or any part of this world, would serve any useful purpose in the pursuit of peace.

To deal briefly with the bill itself in the time that is available to me, however, it does raise a number of points at the outset. As I mentioned, Bill 133 does not call on this House to support world disarmament or disarmament of any sort but merely establishes an opportunity for it to happen elsewhere. Bill 133 and nuclear disarmament are clearly not, in a technical sense, a municipal question. Municipal governments will



under no circumstances have any direct effect on nuclear disarmament; they are not armed and therefore they cannot directly disarm. This does not go a long way to dilute the quality of the bill, but I think it is worth mentioning.

My friend the member for Waterloo North has also pointed out, of course, that had he wanted to do it in some other way, if he had wanted to attack the matter of municipal referenda generally, he might have gone a route that would have amended the Municipal Act instead of raising a separate act for a specific question. It is a complex international issue, and it is clearly within the jurisdiction of the federal government, but it does call for an expression of opinion.

**5:20 p.m.**

Expression of opinion is a very interesting concept, because members from across the way, including some of the members who are here now from across the way, have at times—not often necessarily, but at times—accused this government of governing by poll. We all know that to be untrue. However, if for even a brief moment we considered that there was any validity in that at all, I am sure the members opposite would agree with me that what Bill 133 is doing is setting up a poll for people to express their opinions to a level of government that is not able to react on its own to the result of that poll.

Historically, the vehicle of municipal referendum has been used for very local municipal questions. It has been used, for instance, for the structure of councils; how large a council should be or how the municipality should be divided. It has also been used for the creation of new initiatives, such as parks or fluoridation of water, which are the ones we remember from the 1950s.

It is worth noting specifically that these issues were very local; they affected the voters directly. I know that nuclear disarmament and a nuclear war would affect municipal voters as directly as they would affect anyone else, but bearing in mind the separation of power we have in this country it really does not fall into the same category.

As I said earlier, it is also not within the competence, either politically or technically, of a municipality to react to voter opinion on world disarmament; except, I suppose, to pass along a message to the federal government that says, "The result of our referendum"—or poll or survey, whatever one wants to call it—"in the city of Toronto indicates that hundreds of

thousands of people join with us, the mayor and council of Toronto, and you, the federal government, in opposing the concept of greater world armament and, indeed, in encouraging and following a path of disarmament."

Whether you like it or not, Mr. Speaker, nuclear armament is a fact of the 1980s—although more a fact of the 1970s and 1960s, when it really came into prominence. There are jurisdictional problems involved with Bill 133; it tends to meddle with the jurisdictional split. That is not necessarily a cardinal sin, but one has to wonder: what next?

If this time it happens to be nuclear disarmament as the question in the coming municipal elections, the next time out is it going to be something that deals with world religion? Is it going to be something that deals with some other aspect of human endeavour that does not have a municipal base? If it starts here, where can it stop?

Once the precedent is set, we run the difficulty of opening it up for all sorts of things, particularly for causes that may be less worthy than nuclear disarmament. Once the referendum was held and the public had a chance to express its opinion, that opinion would be passed on to a government that does not have any electoral responsibility or direct obligation to carry out the intent of the referendum.

Finally, if one is looking around for a way to promote peace, I have to point out that a lot of people have died in the cause of peace; they have given their lives, directly or indirectly, in the cause of world disarmament. As one who experienced the Vietnam war moratorium marches in Washington some 15 years ago, I can say that you know what public pressure means when hundreds of thousands of people band together.

As John Lennon said, "Give peace a chance." If Bill 133 goes some way in this Legislature to giving peace a chance and promoting a better atmosphere of peace, not only for us here now but also in a motherhood way for our children and our grandchildren, then I am very pleased to lend my support to it.

**Mr. Conway:** Mr. Speaker, in rising to comment on the matter before us in this private members' hour, I want to congratulate my friend and colleague the member for Waterloo North for his very timely, important and relevant bill, Bill 133, which is before us. As well, I wish to commend the member for Ottawa Centre for his participation in a special way by seconding this private member's bill.

As I said in my introduction, I believe the debate is relevant and timely. This very week we are experiencing the beginning of a major debate in the United Nations. It is also important for this Legislature because, as has been pointed out before, it is the perception of the community at large that we, as a group of elected officials, are responsible for providing that kind of leadership on issues that affect the community. As my colleague the member for Waterloo North and the member for Ottawa Centre have pointed out, it is very difficult to imagine an issue that could be more important than this whole matter of nuclear disarmament and related matters.

The spring of 1982 for all of us has been a difficult one, because it has been a season of war. I was driving on the weekend, listening to the CBC national radio news, and I was amazed to discover that effectively I was listening to a series of war reports. One has to remember that there are four conventional wars taking place at this time: two of them are in the very sensitive tinderbox of the Middle East; one not far away from there, relatively speaking, is in Afghanistan; and the fourth, just concluded, apparently, is in the South Atlantic.

One is reminded as well of the kinds of pressures and temptations that arise in that respect with the knowledge, for example, that the Argentinian junta has in its possession nuclear technology which has been provided by the government of Canada and which has been worked on by people I represent in this assembly. It was noted that the junta was not prepared to give assurances that safeguards about non-military use would be provided.

I was also distressed, in connection with this season of war, to realize just how quickly a local matter can escalate to a very serious international concern. One would have been hard-pressed to have imagined in March that the British would be facing a major conflict resulting in the loss of some 200 British nationals as well as in excess of 700 Argentinians.

If there is a lesson from the Falklands dispute—I might add that the islands are considered to be the Malvinas in China, where the views are very different from what they are on this side of the world—it is that it is really remarkable that the conflict could become as serious as quickly as it did.

It was alarming as well to see how jingoistic as civilized a population as the British can become. If one looked at any of the tabloid press in Britain in these past few weeks, it was really

alarming to see the kind of hype that was associated with that development, and similarly in Argentina. To imagine that people who have the nuclear capacity, and who are faced with the humiliation of a loss, would not be tempted to do as others have done—that is, use the ultimate weapon for military purposes—is somewhat naïve.

I simply want to say that, as member for a constituency in which there is a nuclear establishment and a large defence establishment, I find no difficulty in standing in my place and recommending this bill to all members of the House, since it is clear that it speaks to one of those issues where I believe the public at large is well in front of the political establishment.

I listened, as I always do, to the thoughtful interventions of the member for Scarborough-Ellesmere (Mr. Robinson), and while it is certainly the case that there may be a worry about the use of referenda for other purposes, I want to correct him in one way by saying that this Legislature has been prepared in the past to use referenda as a means of dealing with major social issues. I think particularly of the great social debate over temperance and liquor policy in the province. The government and Legislative Assembly of Ontario were quite prepared to submit that very controversial public issue to referenda, not once but at least twice, if not more often.

It is certainly my view that we all have a responsibility to associate ourselves positively with this initiative. I know the member for Ottawa Centre mentioned this in his remarks, but I would certainly recommend the film that he, the member for Brantford and I sponsored a week ago, the National Film Board production, the title of which is—

**5:30 p.m.**

**Mr. Cassidy:** If You Love This Planet.

**Mr. Conway:** If You Love This Planet; thank you. It is the sort of thing that members ought to acquaint themselves with, particularly those of us who have known nothing but a very peaceful environment. We tend to forget or put aside the incredible horrors of the holocaust that awaits, and awaits not too distantly as that particular film pointed out.

As I said earlier, there is no question that the community at large has a clear desire to see all efforts taken and all measures adopted, beginning at the local level and certainly carried forward nationally and internationally, to protect the planet against that savage attack from



which, as the film pointed out, there is little or no escape. Some people believe that there may be a way out. Certainly that film, and others that I have seen, would indicate there likely will not be anything less than nearly total destruction of this global environment should that kind of holocaust develop.

I simply want to say that in this respect I have heard from a number of people in my constituency who are genuinely concerned. Many of them are leaders in the community, particularly in various church movements. They feel we do have an obligation to speak out in one voice and, in that respect, I simply wanted to speak on behalf of those people in my riding.

Certainly on behalf of myself, I say that the member for Waterloo North has made very good use of his private member's ballot in bringing forward this particular bill. I certainly want, unequivocally, to lend my support to it.

**Mr. Breaugh:** Mr. Speaker, I want to support the bill that has been proposed and is now before the House this afternoon, because I think it does quite properly what a private member's bill ought to do. It puts before the members of this assembly a very neat, clear issue, one that is important for the members to discuss and one which will accomplish something. It gives to the municipalities a clear indication that it is very proper and very useful for them to conduct referenda on this matter of nuclear disarmament and that, in no way, does it either infringe on any other problems that might occur or interfere with their elections.

One of the reasons I support this bill is that it tackles an issue which almost seems to be beyond every human being's comprehension and, at times, appears to be beyond the understanding of the world at large. Most of us, throughout our lives, have had an opportunity off and on to participate in demonstrations and protests, to voice opinions and participate actively in our own communities and in other people's communities, and to let our feelings be known about such things as what used to be called, and is now becoming fashionable again, the peace movement, disarmament, or people who are against nuclear weapons.

One of the things which confuses the entire issue is the scope of it all. Few of us understand the arms race. Few of us understand all the ramifications of it. I thought it would be interesting to take a quick look through current literature.

The first one I wanted to mention was a Time magazine article in March where, throughout

the magazine, there is a clear indication of how widespread the use of weapons is and how much war is a part of the fabric of the world's society. It is not just the western world, it is not just the eastern world, it is the entire world. The increasingly frightening thing is that the peril of the use of nuclear weapons is coming closer and closer to reality, no matter where you go.

I suppose there are those of us who took considerable abuse in the early 1960s for holding the view that peace is something that mankind can accomplish. It is not something which is a Red menace, it is not something which belongs only to intellectual people; if the world is ever going to get anywhere it must come to grips with this matter.

It is interesting to note that in one article in this particular Time magazine, there is a brief discussion about Senator Edward Kennedy's proposals. Much like the piece of legislation in this House this afternoon, there is something in the American Congress sponsored by a Democrat and a Republican. It seems to be a consensus issue, something on which most clear-thinking people do not have difficulty coming to a conclusion.

Secretary of State Alexander Haig refers to this resolution as "not only bad defence policy, but bad arms control policy as well." That gets to the problem all of us have with this. Very quickly we get into extrapolations about the size of everybody's weapons. In the article, there is this statement: "The senator stressed the proposed freeze would be worldwide, not only in Europe. Overall, the US has 9,000 warheads versus only 7,000 for the Soviet Union." It also says, "The London-based International Institute for Strategic Studies whose estimates are given wide credence by nuclear experts places the Soviet arsenal at 8,000 warheads. The Soviet weapons, moreover, far outstrip their US counterparts in megaton force."

If I were asked what all that means, I would not have the faintest clue. I have no idea whether 7,000 nuclear warheads are better to have or whether they have more power than 9,000 nuclear warheads. Outside of the Pentagon and those people who are part of the nuclear weapons industry, very few human beings on the face of the earth have any concept of how many times that amount is going to blow us up or whether one nation's set of weapons are really more effective at killing everybody in the world than are another nation's. What is more important and what disturbs me is that argu-

ment immediately follows any discussion about nuclear weapons.

The second quote is from the May 17 issue of Maclean's magazine. As in the previous publication, the Time magazine, throughout the issue are articles from various parts of the world to demonstrate very clearly to those of us who live in a nice comfortable place like Ontario and who have never in our lives seen a war take place except on a television set, that war is still very much a part of the human endeavour. It goes on and on. More and more, war is not just an old-fashioned battle between people who have a disagreement, but it involves killing people who do not even know why the war is on. I thought perhaps mankind might have learned some lessons over the years, but it appears not.

A disarmament notion is now seemingly gathering force around the world and coming back into vogue, with more and more church and university groups speaking about peace and disarmament, and a lot of that is happening in Europe. Yet look how dramatically and how quickly Britain, probably one of the focal points of the peace movement these days in all Europe, mobilized over the Falkland Islands issue.

In this same issue of Maclean's there is an interesting discussion showing how perverse all this very quickly becomes. Maclean's is interviewing a British author, Anthony Sampson, who wrote a book called *The Arms Bazaar*. The first question is, "How important is the material Britain sold to Argentina?" The response is, "The signs are that British manufacturers have supplied Argentina with quite important equipment, including the 25th of May aircraft carrier, which is now the main part of their fleet."

Many people talk about an arms industry in the vague sense of it being good for everybody; for example, "There is lots of work there, it keeps our economy booming." But they always want to stop at the point of asking, "What happens if we use those weapons?" In this instance, we saw a very fierce battle fought for a very remote piece of territory called the Falkland Islands, an exercise of this capacity to generate death weaponry.

To show how far this goes, Maclean's in its final little question quotes Fortune magazine, estimating that during the First World War it cost about \$25,000 to kill one soldier. That is an interesting statistic, and perverse if ever one saw one. It asks the question, "How much is it costing Britain and Argentina to do the same today?" Is that not an interesting notion in our society, that our national magazine sees fit to

print an interview whose focal point is how much it costs to kill somebody in a war? Even more frightening is the answer. We know that one Exocet missile costs about \$660,000. The Sheffield, on which 20 people died, cost about \$47 million. That gives us some idea of the proportion.

**5:40 p.m.**

Most of us who are interested in seeking disarmament and a peaceful solution to the world's problems cannot help but note what that kind of expenditure would do to solve other problems the world has never resolved, such as housing, jobs, feeding people, decent water and decent living conditions.

It has been an interesting exercise to follow the latest unravelling of the nuclear disarmament issue here in Ontario, beginning with the normal process of a group of people with a social conscience, basically people who think a great deal. I suppose they might be called philosophers although many of them are just plain, ordinary workers. Church groups are logical ones.

We followed them as they went through the process of saying, "Do we want to have a chance finally to say something in our municipal elections about an issue the world has never solved?" The overwhelming answer to that, I believe, is "Yes, they do."

It is also interesting to follow the process of whether this bill is necessary. I believe it is. It is interesting to follow the machinations of various ministries and lawyers giving their determination as to whether that plebiscite on disarmament would somehow threaten municipal elections. I would say that is not a totally sensible concept in the first instance.

I believe the majority of our population at least wants an opportunity to express an opinion and this bill provides them with that opportunity. The bill primarily allows municipalities to do that without the threat of any other ramifications about ruining their elections or opening up broad issues. The bill in itself is eminently supportable.

Perhaps if ordinary human beings, instead of generals, industrialists or big league politicians; perhaps if the people who will get killed in the next war, instead of the people who will run the next war, get a chance to have their say we might see a change in mankind. We might see some common sense arrive in the world. I hope for that myself.

**Mr. Kennedy:** Mr. Speaker, I am pleased to



have the opportunity to participate in this debate. Three minutes is a brief time for a very critical and sensitive subject. I know my colleague the member for Brantford would have participated, but he is suffering from a cold. However, I want to pay tribute to him and to the work he has done on this subject, in co-operation with the members opposite.

I have two concerns with this bill because it is a two-part bill. One part is on the appropriateness of it being on a municipal ballot; the other is a broad, critical and vital subject, such as I do not suppose has confronted mankind in world history. The possibilities of the horrors of war it is fraught with are almost overwhelming.

To deal first with the matter of the disarmament discussions: I do not know of anyone who is in opposition to nuclear disarmament. Everyone is for that. The problem that concerns me is what appears to be the development of a unilateral move towards disarmament in the western bloc of countries. I would be concerned if this bill took us further along the road to unilateral disarmament.

I know we are very limited on time, but I would like to add that in a recent article in the *Toronto Star*, Helmut Schmidt, who should know, is quoted. It said, "He dismissed unilateral disarmament as extremely dangerous and he advised against regarding peace demonstrators as amateurs;" this is the point of unilateral disarmament.

A day or two ago, another article in the same paper stated that Soviet police have taken steps to suppress the country's first unofficial peace organization.

This must be at least a bilateral if not a multilateral decision towards nuclear disarmament. It cannot be just a one-sided effort. That is the big concern.

As to whether or not it should go on the municipal ballot, my colleague and several others have touched on the question of how wide we open up the municipal ballots toward issues such as this.

**Mr. Speaker:** The member's time has expired.

**Mr. Kennedy:** Mr. Speaker, thank you very much. I offer that caveat to the assembly, because the implications both of the issue and of its being placed on the ballot are considerable.

**Mr. Epp:** I want to thank everybody for their support of this very important piece of legislation. I will summarize a few points very quickly.

As many of you know, in drafting the bill I made a deliberate effort to concentrate on the

particular issue of nuclear disarmament. I could have drafted a general piece of legislation as an amendment to the Municipal Act which would have permitted municipalities to have referenda on many other issues that were not municipally based. However, it was my feeling that we should concentrate on this single issue, and that is what I did in this piece of legislation.

Some members have indicated this is not a municipal issue, and technically it is not. But I might draw to their attention that if there were a nuclear war of some sort, those bombs would fall on municipalities, which would become involved very quickly in the issue. So, although technically it is not a municipal issue, it is of concern to municipalities. I therefore ask for their support for this bill.

Support has been indicated from all sides of the House and no one has spoken against the bill. I hope that is indicative of the vote that will be held in a few minutes. Thank you very much.

**Mr. Speaker:** Does any other honourable member wish to participate in the time remaining?

**Mr. Foulds:** How much time?

**Mr. Speaker:** Two minutes.

**Mr. Foulds:** Thank you, Mr. Speaker. I just want to congratulate the member for bringing in the bill. I would like to support it very strongly. If I may say so, one of the reasons that I entered politics and decided to take an active part was on account of my concern with the "ban the bomb" movement back in the 1950s and 1960s.

I marched in the first "ban the bomb" march in Canada in 1951, from the University of British Columbia campus to Victory Square in Vancouver. If there is a single question that faces us as human beings, it is not merely that we survive, which is what the nuclear question is about, but that we survive with dignity and joy. I want to join with the honourable member in giving people and municipalities across this province the opportunity to vote for survival with dignity and joy.

**Mr. Peterson:** Mr. Speaker, I had not planned to speak on the bill but I am delighted that I have one minute to join with my colleague, whom I congratulate for presenting this bill to this House.

I believe this is a very important debate. I know there are some people who dismiss this entire question as being not relevant or germane to our jurisdiction, but in my view it is germane to us as human beings.

I congratulate the member on the phenome-

nal job he has done in organizing the grassroots feelings of people who were previously uninvolved in the political process. It goes very much to the root of the fundamental morality of the nation. I am one of those who enjoyed Allan Fotheringham's column on this great subject. He said, in his final line, as members may or may not recall, "If the politicians can't lead, then perhaps the public has to lead." That says a great deal for a number of the public questions we are involved in today.

I personally, unequivocally, join in support of my colleague. I congratulate him on the leadership he has taken. I am confident that all of us can join together in expressing our personal, but also collective, decisions and views on this subject.

5:50 p.m.

#### NEIGHBOURHOOD WATCH PROGRAM

**Mr. Speaker:** Mr. Cousens has moved resolution 28.

Motion agreed to.

#### NUCLEAR DISARMAMENT REFERENDUM ACT

**Mr. Speaker:** Mr. Epp has moved second reading of Bill 133.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

**Mr. Speaker:** I would like to advise all honourable members that this bill will go automatically to committee of the whole House.

**Mr. Epp:** On a point of order, Mr. Speaker: In view of the tremendous support that this bill has received today, I would like to draw to your attention standing order 64(g): "Private members' public bills given second reading shall be carried on the Order Paper daily to be called by the government House leader in the same manner as government orders."

In view of the support that it has received, I would like to ask for third reading of this bill.

**Mr. Speaker:** I would draw all honourable members' attention to the same standing order 64(m)—

**Mr. Peterson:** On a point of order, Mr. Speaker: It is my understanding that on unanimous consent we could have third reading. My colleague is asking for unanimous consent to have third reading of this bill so we could pass it immediately.

Would you put that question to the chamber, Mr. Speaker? We would be grateful.

**Mr. Speaker:** The question was not put that way.

**Mr. Peterson:** I meant would you put that question?

**Mr. Speaker:** It is not for me to put.

**Hon. Mr. Gregory:** As the honourable members know, it has been the practice of the House to not give more than one reading to a bill on the same day. Anything further has only been done on rare occasions. Our party would not want to go along with giving third reading at this point.

**Mr. Cassidy:** On a point of order: In the spirit in which the debate was carried out today, recognizing that there is not unanimous consent for the matter to go to third reading now, I would hope that given that there has been some co-operation between the House leaders during their meetings today, about the disposition of the business over the course of the next three or four weeks, perhaps the same co-operation might either find time in private members' hour next week, or else some other convenient time when this matter could be disposed of and the bill could go to third reading.

There is a fairly general indication of support from all sides of the House. Because of the fact that we have had this very important vote, I would think the House can in a few days proceed and deal with the matter without excessive use of time. I would hope we could see this House do that.

**Mr. Speaker:** I would like to draw all honourable members' attention to standing order 64(m) "Notwithstanding standing order 56(c), private members' public bills given second reading shall stand referred to the committee of the whole House, unless referred to a standing or select committee by a majority of the House."

Ordered for committee of the whole House.

**Hon. Mr. Gregory:** Prior to recess for dinner, I would like to outline some of the business coming up.

Tonight, the House will be continuing debate on the motion for interim supply, and we have agreement amongst the House leaders that we will come to a vote at 10:15 p.m. this evening.

Tomorrow, we will complete Bills 125 and 135, then call second reading of Bill 127 and, if there is time, Bill 138.

I will have a further statement this evening with respect to next week's business.

The House recessed at 5:55 p.m.



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Ontario

No. 78

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Thursday, June 17, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Thursday, June 17, 1982

The House resumed at 8 p.m.

## INTERIM SUPPLY (concluded)

Resuming the adjourned debate on the motion for interim supply for the period July 1, 1982, to December 31, 1982.

**Mr. Conway:** Mr. Speaker, I was reminded as I chatted over the dinner hour with my colleague the House leader, who is the distinguished member for Brant-Oxford-Norfolk (Mr. Nixon), that, as is often the case in a dynamic and working parliamentary environment, changes can take place rather quickly that alter the course of events.

On my arrival here at eight o'clock, I am somewhat like the Catholic church parishioner who goes and sees a choice between the long and the short reading. Tonight, for a variety of reasons, we will have the short reading.

**Mr. Breaugh:** This is tantamount to fraud. I came here for the long gospel.

**Mr. Conway:** That is not in any way to suggest to the member for Oshawa (Mr. Breaugh) or the member for Sudbury (Mr. Gordon) that there is not going to be a time at a later date when I will have a more general commentary to make with respect to the budgetary provisions of the May 13 document.

I do want to say in respect of the Treasurer (Mr. F. S. Miller), whom I appreciate being here tonight, that I read with care a couple of times his rather interesting intervention at the outset of the interim supply debate on Tuesday night when he went on at some length, but not an inappropriate length, outlining the circumstances that led up to his decision-making vis-à-vis that budget.

I do have a number of things I would like to say about his interpretation of events. But I was thinking, as I prepared for the longer reading, challenged as I was by the Treasurer's assessment of the process, I was reading in the intervening 48 hours among other things an excellent publication entitled *Formulating Government Budgets: Aspects of Australian and North American Experience*, by Mr. Kenneth Knight and Mr. Kenneth Wiltshire. It is a very good look at the

budget-making process, which compares essentially the congressional system in the United States and the parliamentary environment as studied in Australia, New Zealand and Canada.

What caught my eye and what I wanted to quote very briefly in respect of my reflecting on the recent experience of the Minister of Treasury and the Minister of Revenue (Mr. Ashe) was a quote at the outset of chapter 1 of this rather excellent book, a quote from the very famous British diarist and public servant, Samuel Pepys, who wrote in his diary of September 26, 1666:

"Being come home, I to Sir W. Batten, and there hear our business was tendered to the House today, and a Committee of the whole House chosen to examine our accounts, and a great many Hotspurs enquiring into it, and likely to give us much trouble and blame, and perhaps (which I am afeard of) will find fault enow to demand better officers. This I truly fear."

I certainly was interested to read the entry of the famous Mr. Pepys, and it certainly struck me as not an inappropriate reflection on the recent experience in this House, at least, of the Treasurer and the Minister of Revenue.

And might I say, because I like to be, in the presence of the distinguished former mayor of Sudbury, that life-long spear-carrier for the Conservative cause in the great city of Sudbury, a beacon of consistency in an often unreliable world of party politics, I want to give credit where credit is due, and credit is certainly due the Treasurer, to the Minister of Revenue and no less to the chief government whip, who have, I think, properly assessed and correctly surveyed the mood of this place and the developing chorus of concern and protest about various aspects of the May 13 budget.

As I indicated to the House the other evening in the beginning of my remarks, remarks that were dutifully listened to and sometimes responded to by the member from Oxford (Mr. Treleven), it was my intention and the intention of my colleagues to use all reasonable and responsible parliamentary avenues to focus attention on our particular concern with respect to the broadening of the retail sales tax base as outlined in the budget of the Treasurer.

Lo and behold, my friend and colleague the member for Brant-Oxford-Norfolk (Mr. Nixon) presented me at eight o'clock with a very neatly typed out package, which has about nine points. The first one is, "Conway to finish early." As the member for Durham West (Mr. Ashe) will know, I am a very reasonable person, and when I am asked and directed by my friend from Brant-Oxford-Norfolk to finish early members can rest assured that I will respond dutifully to those marching orders.

I just want to say again that I think the members opposite deserve credit for having acceded to the parliamentary pressure that has built over the last number of days. I certainly want to give them that credit here this evening, and I know the Treasurer, the Minister of Revenue, the chief government whip and 67 other members of the Progressive Conservative Party look forward with each and every one of us in the opposition to the debate and the hearings that will develop very soon in the general government committee, or wherever, on the matters that were decided on over the dinner hour. As I indicated earlier, there are a number of other aspects of this budget I would like to talk about.

**8:10 p.m.**

I certainly wanted to draw to the Treasurer's attention the concern of the good electors of the great district of Renfrew North who have instructed me to speak on their behalf about matters of general economic policy as they have been developed here at the seat of provincial government over the past 12 months. From Whitney to Deep River and from Micksburg to Mattawa, the suggestions, the protests and the acclaim, as in some cases has been the mail, are my responsibility to communicate. Of course, that must await another time.

**Mr. Breaugh:** Why?

**Mr. Conway:** The member from Oshawa says, "Why?" I must respond to that intervention with a reason I hope is compelling for him. That is that the member for Windsor-Riverside (Mr. Cooke) has perhaps more dutifully than anyone else over the past number of days bided his time with infinite and exemplary patience. My so-called package tells me that I am to finish early because the member for Windsor-Riverside, who has waited so long and so dutifully, has a number of things he would like to address the House about.

I will conclude my remarks by saying that I always enjoy the presence of the Treasurer

during these omnibus debates on supply or on the budget motion and look forward to resuming a longer discussion, hopefully of a dialectical kind, with the Treasurer on a variety of subjects which he drew to my attention with what I might even say was a provocative statement on Tuesday evening.

Before I sit down I want to say to the Treasurer that in my home town or the place I grew up in, there is a small newspaper that I am sure he reads every week, *This Week in the Madawaska Valley*. In the May 12, 1982, edition there is a very interesting article, "Toughest Budget Yet, Says Treasurer Frank Miller."

It is a lengthy article on the eve of the budget. It invites a whole series of questions about what is going on in the Treasury process that I did not really feel were adequately dealt with in his preliminary remarks. It is the sort of thing I would like to return to, together with the comments of my good friend, one of the government whips, the member for Lakeshore (Mr. Kolyn), whom I noted was quoted in the week-end press. I will just throw out this little nonpartisan assessment for the member for Waterloo North (Mr. Epp). I might say to the member for Elgin (Mr. McNeil), who is known in Peking as the vice-minister of agriculture for Ontario, he made a very—

**Mr. McNeil:** Wise minister of agriculture.

**Mr. Conway:** Wise none the less. I was reading the weekend papers here in Toronto and I found it interesting, given the general mood of the Conservative government in Ontario these days, the very great emphasis on restraint and the accent on lean government and every penny counts, it was interesting to see the member for Lakeshore quoted in the *Sunday Sun* of June 13, 1982: "However, Tory MPP Al Kolyn takes a different approach to his boss's new jet, now expected to arrive from Texas in July or August. The Lakeshore MPP insists the Challenger will be 'the people's jet.'" Quoting the member directly it says, "Looking at our \$20-billion budget, there is little of a lasting and permanent nature that \$10.6 million can do."

I certainly wanted to elaborate. Even when one adjusts for inflation, the member for Lakeshore makes the former federal Minister of Trade and Commerce Mr. C. D. Howe look like something of a piker, dare I use that expression in that respect. The member for Sudbury will recall well that great expression that became famous across the land 25 years ago, "What's a million?" Apparently, the member for Lakeshore feels, "What's \$10.6 million in a budget of \$20



billion where there is just so little room to make changes?"

I do not intend to be provocative and I do not intend in that respect to irritate my friend from Brockville with recent utterances from the new Minister of Industry and Trade (Mr. Walker), who has had things to say about the irrationality of the expenditure policies of his government that really make one wonder about the old British parliamentary doctrine of cabinet responsibility. I think he holds the view of the Minister of Transportation and Communications (Mr. Snow) that the long arm of separation should be the guiding light when it comes to the Treasurer in these days of post-budget discussion.

At any rate there are a number of subjects about economic policy, general and specific, questions about employment strategies that were dealt with by, among others, my esteemed colleague the member for Kitchener-Wilmot (Mr. Sweeney) with his interim report on youth unemployment. Yesterday, at the press centre in a speech to the Institute for Political Involvement, my leader dealt, I thought rather effectively and creatively, with a number of positive alternatives and options with respect to dealing with the problem the Treasurer himself addressed in his remarks on Tuesday evening; that is, reforming the budget process to make it more relevant and more useful to the 1980s.

I will not keep the members here tonight with a recital of the various specific points that the Leader of the Opposition (Mr. Peterson) made, but I certainly will at another time, with the House's indulgence, elaborate on that very important aspect of public policy, because I think the experience in Ottawa and, quite frankly, here in Toronto in the past 12 months indicate that reform of a general and immediate kind is necessary.

I know that I speak for my friend from Sterling, the Conservative member for Hastings-Peterborough (Mr. Pollock), when I say there are those of us who have constituents in the Bancroft area working at the mines who are now out of work and who are deeply concerned about the fact that Ontario Hydro and the Ontario government has not seen fit, for whatever reasons, to intervene with a "Buy Bancroft" procurement policy for uranium.

Certainly in my home city of Pembroke there is a lot of concern about property tax reform, the impact of the budget upon local government, school board and municipal. But these, of course, are matters for another day. On behalf of myself and my colleagues I want to say again,

and in conclusion, that it is a good day for this parliamentary place when we have arrived at a sensible compromise that will allow a very contentious issue in this budgetary debate to go before a committee of the duly elected members of this assembly to hear public witness about what is bad, inappropriate or almost unenforceable as far as the sales tax matter is concerned.

I give full credit, certainly, to the Leader of the Opposition who has in a very successful way focused the House's attention and that of the province upon the need for this kind of hearing. As I said earlier, I give credit to the government, after having endured and weathered the storm over a number of days, for seeing the need as well for that accommodation. With those few remarks, the short reading has ended.

**Mr. Cooke:** Mr. Speaker, I have waited for two weeks, and now, based on the agreement this afternoon, I have very little to say. This, by the way, was not the bill this party was going to filibuster on. Unlike the people to my right, we do not consider that civil servants, people on family benefits and the various other people who rely on the provincial government for their income are the people who should be held to ransom to force the party opposite to agree to public hearings.

I tend to disagree with the former speaker. I will judge the agreement that was reached by the three parties this afternoon, and the success of that agreement, after I have seen what the government intends to do in that committee. If it has decided to go to committee for two weeks of hearings simply to pacify the opposition, if it is not going into these public hearings to listen to the people of Ontario, to listen to the interest groups who have been so adversely affected by this regressive sales tax, then I say the agreement that has been reached this afternoon will be an utter failure.

**8:20 p.m.**

If, as I said, they are just going to committee to pacify the opposition, to do it at the beginning of the summer and have third reading of the sales tax act before we adjourn, hoping that the people of this province will forget about the sales tax, I would suggest that the people of this province will not forget about this regressive tax. Every time they purchase a coffee or a hotdog, or a puppy dog for their children, they will continue to remember the Treasurer.

I hope the committee hearings really will work. I hope the members of the Conservative



Party will be as open as the Treasurer said they were when we asked repeatedly if he would allow his party members to vote in favour of public hearings if the sales tax bill was referred to committee. As I recall, the answer we got was something like, "The committee will decide."

I hope that same openness will prevail when the sales tax bill is in committee and that the committee will be allowed to voice its opinion; that he will allow his back-benchers to express themselves when we move amendment after amendment affecting the exemptions which have been eliminated by the sales tax bill introduced by this government.

I look forward to the hearings and I am sure we will hear from all the municipalities which have been hit hard by the sales tax. The ratepayers will not feel the effects because of what I am sure was a deliberate ploy on the part of the Treasurer to bring in his budget after the mill rates were set at the municipal level in order to delay the property tax implications for a year. In that way the local politicians will get the blame instead of the Treasurer.

It was smart politics. We must give the Conservative Party credit for being damned good politicians, but they are rotten when it comes to planning the economy of the province. They are rotten when it comes to taking care of people at low income levels. They are rotten when the time comes to talk about reform of our tax system in the province.

I hope the Treasurer and the members who sit on the standing committee on general government, or whichever committee will be looking at this sales tax bill, will be open-minded. I hope they will be fair. I hope they will not turn the hearings and the clause-by-clause discussion on this bill into a sham. But although I have been here for only five years, I am not very hopeful. Time after time we have seen referrals to committee by both opposition parties on matters that are important to all people across this province, and time after time the Conservative Party has blocked all attempts to have annual reports discussed in order to get at important problems.

The government of this province has made a sham of the legislative process. Who would expect that the Treasurer, after introducing his budget, would show up for only 10 minutes of the speech of the official opposition critic for the Treasury, take off for Sault Ste. Marie the next day for a sod-turning at a sewer project and then head for Japan a day later, leaving the province for another week?

The government talks about democracy, but the lack of respect on the part of this Treasurer and this government for democracy and for the legislative process is absolutely amazing. The people of this province are beginning to find out how arrogant, inconsiderate and hypocritical this government has been on issues such as the sales tax and cutbacks to colleges and universities. In this budget the government is making the same kind of massive shift in taxation to the municipalities as the federal government has imposed on this provincial government.

The Treasurer, as the Premier (Mr. Davis) has done, has attempted to fudge the issue, but the fact is that there is going to be an impact of one per cent to 1.5 per cent on municipal budgets because of the sales tax bill. Add to that the Ontario hospital insurance plan premiums and it amounts to a massive shift.

As I said before, the ratepayers of this province will not know what this provincial government has done until next year when the mill rates are set. This party will do its best to remind the ratepayers' groups, some of them led by traditional Conservative supporters, that it is this government that has to take the responsibility. I can only hope the local politicians across this province will do a good job of pointing out that it is this government that will be responsible for the shift in taxation and the increases in property taxes next year.

The lunacy of this budget was so obvious this afternoon and on other occasions when we raised the problem of the various ethnic groups that will be having their festivals this weekend and the implications of the sales tax on those activities. This government has backed down a bit, but really very little. The \$75,000 tax exemption, when you consider the inflation rate over the last number of years, is less than the \$50,000 limit that was in place before. When one considers inflation, in order to keep up with the \$50,000 the government should have raised that exemption to at least \$85,000.

But the impact of this sales tax on those communities will come home to roost in the fall when we have Oktoberfest in Kitchener and in various other communities across this province. Those clubs, along with some of the Italian clubs, such as the one in my riding that has a Grapefest, when they have run out of their four exemptions and exceed the \$75,000, will then have to collect the tax. We will say it is the Treasurer who is responsible for that, that progressive Treasurer and his government who say they are so concerned with multiculturalism



in this province. They are going to tax those events and will discourage communities from participating.

We have heard the Treasurer and the Premier say time and again: "What is seven per cent on a \$6 meal or something under \$6? What is seven per cent on a hamburger?" If one is to look at those implications and say that seven per cent means nothing, one can look at inflation and say, "What is 10 per cent in one year in inflation?" This sales tax bill fuels inflation, there is no doubt about that.

I get back to my original point. I hope this government does not make a sham of the referral of the sales tax bill, but I am not very hopeful. I can warn the Treasurer now that if there are no changes in this sales tax bill in committee there will be substantial disappointment among all groups in this province, whether they be small businessmen, the ethnic communities, the corner store or the ordinary citizens and families who are expecting changes from this Treasurer and his government. There will be debate and an opportunity for us to raise this matter when it comes back into the House on third reading.

I want to turn to a couple of other points. I do not intend to speak at any great length on this bill. If I sound a little angry, if I sound a little disappointed, the fact is I am not expecting much out of these hearings. I do not think the agreement that was reached this afternoon will be the be-all and end-all to this serious problem within the provincial budget. However, we will give it a try. We will put forward our positions. We will listen.

I can guarantee members that if substantial and reasonable arguments are put forward to justify this Treasurer's budget and the sales tax, we will listen to those. If it can be proved to us that this sales tax bill will not hurt anyone, and I do not think that can be proved, we will listen and we will give speedy passage of the bill on third reading. But the Treasurer is going to have to do a heck of a lot of convincing.

We do not intend to support this bill on second reading, of course, because he has given no defence, nor has the Minister of Revenue. The Minister of Revenue did not do a very good job when he was a parliamentary assistant. He has shown that with his capabilities, even in a ministry which is usually not controversial, the Ministry of Revenue, he is able to make a spectacle of himself in that particular portfolio.

**Mr. Elston:** Here he comes.

**Mr. Cooke:** Yes, here he comes. He can even make a spectacle of himself in that portfolio. When questions were asked of the Minister of Revenue this afternoon he could not even tell us which food items were taxed and which were not. In fact, he made a mistake. If he does not understand the regulations, then tell me how the people in this province at the corner store, or the ethnic groups or whatever, the ordinary people who have to pay this tax, are supposed to understand this screwed-up piece of legislation and its various regulations?

**8:30 p.m.**

There are other items in this budget which I think deserve some discussion. I want to point out that one of the most disappointing aspects of the budget is its lack of any attempt to come to grips with the structural problems within our economy, whether they be in the auto sector, which is still suffering very much from a very deep depression, or whether they be in the machinery sector, where we have a great opportunity for jobs to be created.

I think it was last week that the member for Sudbury East (Mr. Martel) raised a question about the layoffs at Falconbridge and the problems being experienced at Inco. The fact is that mining machinery initiation could take place through the provincial government.

I might point out, Mr. Speaker, that we now have 60 polls reported out of 149 in the by-election. The vote at this point is 2,600 for the New Democratic Party, 2,000 for the Liberals and 1,800 for the Conservatives. That is with 60 polls out of 149. We will repeat the result later when we have 149 out of 149, but someone else can repeat it, because I will be out drinking champagne.

As I was saying, there are initiatives this government could take in the mining machinery sector itself. One cannot simply say that it is all the federal government's responsibility, although it does have some responsibility. This government here, since this is the manufacturing heartland of the country, has some responsibility itself. It thinks setting up some kind of study committee is adequate. The types of initiatives this government has taken for import replacement in food processing, auto parts and machinery are woefully inadequate; we need some initiative, some direction and a strategy on the part of this government.

I want to make one other point in this debate. One of the reasons we cannot support this motion for interim supply, besides the fact that voting for interim supply would put us on record

as supporting the budget and the government's spending priorities, which we obviously do not, is that the motion for six months of interim supply again points to a government that wants the Legislature to be here as seldom as possible. The government is never in trouble when we are not having discussion here in the Legislature during question period and on the issues of the day. We should be here sitting in the Legislature and debating the important issues of the day on a much more regular basis.

There is nothing that demonstrates more this government's lack of commitment to the legislative process and the accountability it should provide than calling the Legislature back on March 9, waiting more than two months to bring in a provincial budget, and then letting things go so that estimates could not be debated. It was our party's position that estimates simply could not be debated until the budget had been introduced. We need time to look at the government priorities. We need time to debate the legislation in full, to deal with legislation in committee and not be rushed into passing estimates, legislation and motions without full participation of the opposition.

The legislative process can work only when accountability is built into the system. The only way that accountability can be built in is when the opposition is here and the government is there answering our questions, debating the issues of the day and making itself available to clarify problems and to justify its position. Allowing a summer recess of July, August, September and three quarters of October, as is usually the case; adjourning before Christmas, then not coming back until March; not having a budget until May, not getting into estimates, having to cut back on estimates because of lack of time to deal with them; all these things show the real weakness of what is happening in the Ontario Legislature.

We in this party are not prepared to allow the government to have six months' interim supply. We cannot justify six months, half a year, half of the budget, \$11 billion of supply. We will instead be moving a motion that will call for three months' supply, and we think that is justifiable. We should bring back the Legislature on or before September 30. We will give the government supply when we are called back in September. To me that is a very fair and reasonable position. What is wrong with calling us back in September so we can get back to the economic issues that face this province?

Interjection.

**Mr. Cooke:** I know the member for Scarborough-Ellesmere would prefer to be somewhere other than the Legislature, but I was elected to represent the people of Windsor-Riverside. I have responsibilities as a critic to raise issues across the province that are relevant and important in people's minds and of concern to them. We cannot do that properly when we are not here in the Legislature.

Some committees do function reasonably well during the summer. The fact is that we have a role to play as legislators; the government has a role to play in initiating policy and programs to make this province work effectively. We cannot do that, we cannot build in the accountability when the Legislature is not in session.

We as an opposition party would be completely irresponsible if we gave this government supply for six months. If we did so, it would mean the Legislature could, as usual, be called back in late October. We would have a little bit of time in October, we would have November and then we would be getting close to Christmas, rushing in some important pieces of legislation at the last minute as they usually do, putting pressure on the opposition by saying: "We have to have this legislation. If you do not pass it without question or debate, you are going to be at fault, you are going to be blamed for not passing this legislation." The same tricks are played on the opposition every year, and we in this party are getting sick and tired of them.

I am going to be making a motion but, even though I probably should not, I would like to make a further report, the second report on the by-election. With 78 polls reported, the New Democratic Party has 4,202; the Liberals, 3,125; and the Conservatives, 3,099. We are now 1,000 ahead. I would suggest that we could be having a rather substantial verdict on this ill-conceived, regressive Conservative budget.

**Hon. Mr. Ashe:** We are not losing the seat; they are.

**Mr. Cooke:** It is traditionally the Tories' seat. The minister can justify it any way he wants but tonight, if by some chance these trends continue, the fact is that the Tories and the Liberals are both losers.

Mr. Cooke moved, seconded by Mr. Breagh, that government notice of motion 8 be amended by changing "the period commencing July 1, 1982, and ending December 31, 1982" to "the period commencing July 1, 1982 and ending September 30, 1982."

**Mr. Foulds:** Mr. Speaker, I rise to catch my



breath before speaking on the bill for interim supply.

**The Deputy Speaker:** Catch your breath.

**Mr. Foulds:** If I may, I want to take a few moments to say something about the Legislature itself, the legislative process in this crazy place we call Queen's Park.

I have been in the Legislature for exactly the same length of time as the Treasurer. I remember in 1971, when the Treasurer actually sat in this seat, or very close to it, on this side of the House; it was when the big blue phalanx moved right around to the left here, and there was a genuinely progressive element in the Progressive Conservative Party.

8:40 p.m.

**Mr. McClellan:** Name names.

**Mr. Foulds:** Well, I will not, but I do remember the very first speech the Treasurer gave, which was about small business in his community and in this province. It was a speech that was a bit weak in its research and background and factual material. It had a bit of a junior chamber of commerce, gee-whiz quality. However, the speech is one that has stuck in my mind because of the sincerity with which the new member for Muskoka, now the Treasurer, delivered it. It was a speech that came from the heart and the soul of the newly elected member for Muskoka, now the Treasurer.

Although it had a bit of what I, in my more cynical moments, might call a gee-whiz, junior chamber of commerce attitude, and it was a bit weak in terms of its research and the actual and true impact on small business in the province, it was a speech that was delivered with enormous sincerity.

Unfortunately, there has been an enormous change in the man who was elected to the Legislature in 1971 and has become the Treasurer. The essence and elements of the member are still there, but the spark is gone. The sincerity is missing on long stretches. Personally, I find that a little worrying, because the Treasurer's heart was not in this budget; it was not in the number of pieces of legislation that we are having brought before us.

We have a budget presented to this Legislature by a government that has, and the budget expresses it, no sense of social responsibility. It expresses no sense of fiscal responsibility, no sense of economic responsibility.

Somewhere still inside the Treasurer, still inside the man who brought forward this budget, I believe is a sense of social responsibility, a

sense of fiscal responsibility, a sense of economic responsibility. If I may say so, the Treasurer did the one thing that a politician should never do if one wants to maintain his own soul or his own integrity. In this budget, the Treasurer betrayed the essence of what he, as a human being, stands for. I find that one of the saddest commentaries on the political process that I could make. I mean that.

Frankly, leaving aside all the joking and ribbing that goes on in this chamber that I genuinely love, leaving aside all the cut and thrust and the partisan remarks, I find it a little sad that the man who stood on this side of the House because there were so many Tories elected in 1971, and gave a speech from his essence, telling us what it was all about for him, betrayed it in this budget.

This budget has no sense of social responsibility, because it fails to deal with poverty in this province.

**Mr. Cooke:** Third place, you guys.

**The Deputy Speaker:** Is this the latest report?

**Mr. Foulds:** I just want to announce the latest returns from the—

**The Deputy Speaker:** I am sure we are not following it. However, under the circumstances—

**Mr. Foulds:** Mr. Speaker, you have to be on your feet if you want to interrupt me.

**The Deputy Speaker:** That's the reason I am not.

**Mr. Foulds:** After speaking to interim supply, as not Ella Fitzgerald but Edward Fitzgerald wrote in Omar Khayyam, the moving finger writes and then moves on. This is the third report from the Wells/Boyd desk: with 127 out of 149 polls reporting, the NDP is leading with 7,572 votes, the Conservatives are second with 5,552 votes and the Liberals are third with 5,381 votes.

I want to say something, if I may: we have won. I want to say something else to my massed colleagues behind me and my massed opponents ahead of me and my massed opponents to my right: you beggars counted us out in the New Democratic Party, both of you, on March 19 a year ago.

**Hon. Mr. Ashe:** Twenty-one and one still only makes 22.

**Mr. Foulds:** Look at the results today and look at what is happening in the province, and do not count us out any more. Just move aside, because we are going to be over there forming

the government in 1985 if you bring in another budget like this one.

**Mr. Conway:** I have a point of order.

**The Deputy Speaker:** Order. I have a point of order.

**Mr. Foulds:** You have a point of order?

**The Deputy Speaker:** I am sorry; I mean he has a point of order.

**Mr. Foulds:** He thinks he has. He has already spoken for 45 minutes in this debate.

**The Deputy Speaker:** What happened to the unbiased, nonpartisan speech you were going to give us?

**Mr. Foulds:** Well, it's just—all right, all right.

**Mr. Conway:** Just very briefly, Mr. Speaker, I want to say that however much we in the Liberal Party appreciate the dispatches from the New Democratic Party, we only ask that these dispatches be shorn of their scatological references.

If these dispatches are correct, my best wishes and those of my colleagues go out to the very distinguished Dr. Richard Allen, who I know to be a fine, outstanding academic in the field of social history.

All of us look forward with great expectation, if these results are confirmed, to his arrival in this place. And our interest will grow apace at the immediate prospect of the former member for Broadview-Greenwood, who we understand is still surveying the expanse of landscape between Attawapiskat and Cornwall to ascertain where it is that his parachute will come to rest.

**The Deputy Speaker:** I think you have made your point.

**Mr. Foulds:** I think the point of interruption actually exceeded its—

**The Deputy Speaker:** I think you are right.

**Mr. Foulds:** I think what this budget shows—where is the Treasurer, by the way? Where is he?

**The Deputy Speaker:** Confirming your numbers, I think.

**Mr. Foulds:** After all, this is the second most important bill that he has before the Legislature. He is asking in this bill that we give him a blank cheque for \$11 billion, and he is not even in the House to hear us when we say things about him that are favourable and things about him that are perhaps not so favourable.

**Hon. Mr. Ashe:** What were the favourable items?

**Mr. Breaugh:** Go ahead, be bitter; it looks good on you.

**Mr. Foulds:** If the member who is at present the Minister of Revenue and will not be for very long wishes to take the little tax quiz again after he has had time to bone up on it, I will be pleased to administer it. But he will recall I was saying that this government's budget—

**Mr. McClellan:** Really stinks.

**Mr. Martel:** Give it to him, Jim.

8:50 p.m.

**Mr. Foulds:** Mr. Speaker, you will have to forgive me. I hope it will not betray one of the confidences, or my colleagues will not mind if I betray one of their confidences at caucus, but this morning they said to me: "Foulds, you are getting just a little too aggressive. You are getting just a little too nasty. You are shoving it to the Tories just a little too hard. Lay off and take it easy for a day or two."

Now tonight, a mere 10 hours later, less than that, they are all for me taking off the gloves once again and socking it to those guys. I find myself in a terrible dilemma. I do not know whether I should abide by the earlier decision of my colleagues or their current one.

Anyway, as I was saying, the budget shows no sense of social responsibility when one thinks that for the amount of money sunk into Suncor, or the amount of money sunk into settling with the medical doctors of this province, we could have—

**Mr. Shymko:** When are you taking over?

**Mr. Foulds:** For the edification of the rather idiotic member for High Park-Swansea (Mr. Shymko), we could have raised every man, woman and child on family benefits, general welfare assistance and the guaranteed annual income system for the disabled above the poverty line. We could have raised every one of those people currently below the poverty line above the poverty line with that kind of money. That betrays a very deep sense of social irresponsibility.

The Treasurer has betrayed the member for Muskoka who was elected in 1971 and spoke from this side of the house. There was no sense of fiscal responsibility in this budget. This Treasurer for years has been preaching the right-wing, free enterprise philosophy that one has to balance the budget. What did he do? He not only raised taxes in a harsh, stupid and mean-spirited way, but he also put us further into debt as a province.

This government has no sense of fiscal respon-



sibility when it will spend millions on advertising, millions on its refurbished jet and millions on a resource company that does not bring one job to Ontario. It does not give jobs and job creation a number one priority.

That is what I mean when I say this budget has no economic responsibility. No matter what the government of Margaret Thatcher in Britain does, no matter what the European Economic Community does, no matter what Ronald Reagan and the administration in Washington do, and no matter what Allan MacEachen and Pierre Elliott Trudeau do, this government has a responsibility to the people of this province. It has a responsibility within its jurisdiction to create jobs, to bring down interest rates and to make it abundantly clear that Ontario is indeed a place to stand and a place to have a home. It is a place where people should be proud to live.

It was instructive the other day when I asked the faltering Minister of Revenue a question on budgetary matters and he said, and I quote him directly, that "one small province cannot do it by itself." It is instructive when a minister of the crown of this once-proud province would refer to Ontario as "one small province."

It was interesting this afternoon, if I may say so as one gets impressions and reflections of this place, that when the Minister of Revenue was on his feet embarrassing us all by his lack of knowledge of what is taxed and what is not taxed, the Treasurer slunk in his seat with his hand over his face, rubbing his eyes and his forehead in disbelief, weeping in sadness, wishing that his junior colleague in the finance division of the government would disappear slowly into the carpet.

We cannot support a motion for six months of interim supply, because this government has grown arrogant, fat and sloppy. It cannot control its own spending, it cannot put its spending where it should be put: to the ordinary working men and women of this province and to those people who unfortunately are not working although they want to desperately. It cannot do anything except create temporary jobs. They aim for a mere 31,000 when they know that between April and May we have lost two thirds of those jobs already—19,000.

There is not one imaginative job creation move in this budget. It is a mere fiscal piece of paper instead of being an economic blueprint for recovery. What has happened is that this government cannot control agencies such as Ontario Hydro. It refuses to look upon Hydro, as any civilized western government would look

upon Hydro, as a tool for economic development. Sure, they will spend billions on their nuclear stations and they will use as a justification for that the creation of jobs, but when it comes to saving jobs in Bancroft at the Madawaska Mines, they will stand idly by and do nothing.

Let me tell the member for that area, that coming from northern Ontario, an area that very much suffers the regional disparities that the people in eastern Ontario suffer, I understand the anger and the frustration that must be rampant in Bancroft when the government will pour billions into nuclear stations that we do not need but will not spend a relatively modest amount of \$50 million to save a town and a mine. That money would not be wasted and that money would be less than the cost that Hydro is paying to the friends of the Tory party, such as Stephen Roman, for their assured contract in Denison and Rio Algom.

This government has lost touch with what it means to have a sense of accountability to the Legislature and to the people of Ontario. That is why they lost in Hamilton West tonight. That is also why the Liberal Party lost in Hamilton West tonight, because they too have lost the sense of what it means to be responsible both at the federal and provincial levels. The government has assumed that it can be accountable to the people of Ontario simply by reading the polls they conduct and responding to them; but they have been betrayed by the polls, they misinterpreted the polls. There is not the shadow of a doubt in my mind that, several months ago, the Treasury ministry conducted a poll, or that a poll was conducted for the government of this province, that asked people whether they wanted their sales tax increased or whether they would rather see that tax imposed on a wider selection of goods.

#### 9 p.m.

So in the first days of the disaster of the Treasurer's budget he tried to say that they took the tough stand; they took the stand that was difficult, they took the road that was hard. Well, that song and dance from the Treasurer is getting a little hard to take, because they did not. This government takes the easy way every time. It is a gutless government that responds only to polls. It will not show leadership when it comes to economic development and the creation of jobs; it will not show leadership when it comes to protecting the environment; it will not show leadership when it comes to protecting eastern Ontario or northern Ontario; and it will not show leadership, guts or courage when it

comes to making a budget, even from a Tory point of view.

Areas of taxation were open to the Treasurer that he did not take advantage of; areas of taxation in the resource sector, in the corporate sector, in the personal income tax sector; and even in the sales tax area there are items that could be genuinely considered luxuries on which he could have legitimately increased the tax and he did not have the wisdom, the foresight or the courage to do it.

We have seen a major capitulation by the Treasurer and the government of this province on this budget, and while it is not so open and apparent as the retreat by John White in 1973 over the energy tax, it is a retreat and capitulation that has far more far-reaching consequences.

The Treasurer first said in this Legislature, "Budgetary bills are never referred to a committee outside this House," yet the Treasurer has referred a budgetary bill outside of this House. It is my hope and the pledge of this party that we will work during those hearings to get the unjust, stupid measures and the monstrous, administratively difficult measures of this budget changed.

Interjections.

**The Deputy Speaker:** Gentlemen, gentlemen.

**Mr. Foulds:** I wonder, Mr. Speaker, if you could bring my colleague the member for Sudbury East (Mr. Martel) to order; then I can continue with my remarks so that you, at least, can hear them.

**The Deputy Speaker:** Yes.

**Mr. Martel:** I am listening to you.

**Mr. Foulds:** Now, if he wants to make a disruption over on the Tory side, if he wants to have a little chat with the back-bench members of the Tory party—out of sight, out of mind—I do not mind. But when he is distracting me on my right with the Liberals, with the Peterson-Trudeau Liberals, why the member for Sudbury East wants to kotow to that crowd—

**Mr. Martel:** I just signed up three of them. They are crossing the floor.

**Mr. Foulds:** All right, carry on. Keep up the good work. Where was I?

**The Deputy Speaker:** Monstrous—

**Mr. Foulds:** —monstrous, administratively difficult measures of this budget to be changed. I sincerely hope they will be changed in committee because there is no purpose, absolutely no sense and no reason for a bill to go to committee unless there is a willingness to listen, a willingness

to amend and a willingness to change the legislation. It may well be that the government will have to save face by introducing amendments and concessions. But two weeks of fruitless hearings in which the government just says "No, we are not interested in any changes," will not serve any useful purpose either to this place, to democracy or to the people of this province.

The failure of this Legislature thus far is to pinpoint and highlight other weaknesses in the budget. Would the member for Scarborough-Ellesmere take a seat beside my colleague, the member for Sudbury East and keep his mellifluous tones down.

**The Deputy Speaker:** Would the member for Scarborough-Ellesmere take his seat? It is distracting and we have been tolerant.

**Mr. Foulds:** What has been a great sadness for me is that, almost unnoticed in this budget that spells the ruin of the leadership ambitions of the member for Muskoka, a former Minister of Health would have buried in his budget a substantial increase in OHIP premiums. I believe that kind of a tax has no place in a modern society. That kind of tax on sickness has no justification in a province that has had the potential and richness of Ontario. I suppose the greatest sense I have, standing in my place here, is the sense of loss.

When I first came to this place in 1971, along with the member for Muskoka and the member for Algoma-Manitoulin (Mr. Lane), there was a sense that this province had strength and cared about its people; and there was a sense that this province actually cared enough about the rest of the country to share its wealth with it. The Davis years will go down in the history of this province and this country as the years in which opportunities were lost, challenges were avoided and the province lost 10 years.

If anybody writes the history of these years, and the history of the Treasurers, he or she might consider using the title 12 Lost Years, since the Premier has about two more. Maybe not, maybe he will hang on until 1985; because when one looks at the alternatives, the alternatives have missed their chances. I know a little about that in terms of leadership. The only one left running strong and eagerly is the Minister of Health (Mr. Grossman) and the Tory party of this province is not yet ready to accept the Minister of Health as its leader. The others are nowhere in the race.

9:10 p.m.



But to get back to the budget, it is sad that we are asked to vote tonight for an \$11 billion expenditure and that the Treasurer had to grab it from the pockets of those who have to pay their own Ontario health insurance plan premiums to get additional money.

I know all the arguments about those who have negotiated settlements and whose employers pay half or all of the premiums. Every week in my constituency office, and I suppose at least every second week in the constituency office of the Treasurer, comes one of those people who has to pay his own OHIP premium. Occasionally, we even get people in our constituency offices who have not paid the premiums because they could not afford to and did not know that premium assistance was available. I am sure that every one of us, at least once in the 10, 15, 22 or 27 years we have been in this crazy place, the Ontario Legislature, has run into at least one person who was ill, who needed medical attention, but who did not go to get it in time and kept postponing it because he did not have OHIP coverage.

I say to the Treasurer as he sits there and to the cabinet ministers and the Tory benches, if they have anything to do with that multimillion dollar public relations budget spent by the Conservative government and with the amount of money spent on television advertising for "Preserve it, conserve it," and "Ontario, yours to discover," I will not object if they cut that advertising by half and put that money into advertising the legitimate programs of their government.

If they would put that kind of money into letting those people who are unorganized, the working poor, know that premium assistance is available to them, that is the kind of government advertising I would accept. That is the kind of government advertising the people of Ontario would accept and willingly pay for.

It is just a little galling for the 56 per cent of the population of Ontario who have never voted Conservative and will never vote Conservative to think their tax money is being spent on advertisements that advance the cause of the Conservative Party. It is true that is politically smart and it comes from the attitude of thinking they will rule the province forever; but very simply that is wrong, that is immoral, that is stealing money, that is misspending the money that is given to the government in trust.

I think the Treasurer and the government benches, particularly the cabinet, should understand there is a compact between an electorate

and its government. They betray that compact with a budget like this and with the kind of spending they do on things, like advertising, that are unnecessary and self-serving. I say as strongly and as directly as I can, every time they use a taxpayer's dollar to buy his or her vote for their re-election, that is theft and I resent it.

The saddest part of the budget is the whole area that is not in here. The saddest part is that the member for Muskoka, his Premier, his ministry and his colleagues did not have any vision of Ontario. They did not have any idea where it could and should take the province. They looked at the problems of diminishing revenues and tackled them without imagination and without wisdom.

Suppose I had been a Tory Treasurer in 1982, I would have looked at the situation from a Tory point of view and said: "I do not want to tax my friends in the corporate sector all that much, they might get angry with me. I do not want to scare business away from the province. I do not want to rock the boat too much, but we are facing difficult economic times. We have had a constant drain on our budget and we need to raise substantial revenue."

I think the people of Ontario are still decent, hard-working people who do not mind paying taxes that are justified. They do not mind paying taxes for their fellow man as long as they are seen as being fair and administratively clean. The sales tax fails to meet those criteria.

It was not only politically stupid, and they will pay the consequences for that, but it fails two important tests of a tax. It is not seen as being fair by those who have to pay it and it is an administrative nightmare. They will never be able to enforce it. It is worse to enforce than any of the speeding legislation.

If I had been a Tory, I would have raised the sales tax by one per cent on existing goods. What the heck, people pay \$1.07 now and they will not mind \$1.08. Raise the personal income tax one per cent, raise the corporation income tax one per cent, raise the resource sector tax one per cent and everyone will complain like hell, but they would say, "At least he did it to all of us and hit everything."

They might even get their cherished dream of coming close to balancing the budget. If they did that, speaking strictly from a Tory point of view—God forbid it be mine—they would have room to manoeuvre and to create some decent jobs. Instead, they piddle around with a bit of a tax here, hoping the revenue they get will just about keep their heads above water; they fiddle

around with a little temporary job creation there and there is nothing in it.

**Mr. Kerr:** Flushed with victory.

**Mr. Foulds:** To the heckler from behind the stands, I would rather be flushed with victory than flushed the way the heckler is. The only charitable thing about that comeback was I did not mention who the heckler was, and I would not because he is such a fine person.

**Mr. Breaugh:** Flushed, though.

**Mr. Foulds:** Flushed, though, right; not flush but flushed.

If I may conclude, it was a major failure of the government that it did not do anything to create jobs. It is still trying to create jobs by press release. When "nine-job Walker" got to his feet last Friday and made a five-page statement about a warehouse coming into Elmira, surely that epitomized the bankruptcy of government policy in job creation.

**9:20 p.m.**

The previous day a major announcement had been made by Falconbridge that 1,000 jobs were going to be terminated in Sudbury. Then this government, through the Minister of Industry and Trade (Mr. Walker), proudly announced the creation of nine jobs. Surely, weighing those two equations in the balance, this government is found wanting. This government is found wanting when it comes to this budget, when it comes to its tax measures and to interim supply. It deserves neither our confidence nor that of the people of Ontario. This government, like the Treasurer himself, has betrayed the ideals of the people of Ontario.

The Treasurer and this government no longer view the population of Ontario as a hardworking and generous people. They view the populace of this province as one that must be bought with its own taxes, that will respond only to the government's initiatives when those initiatives have been tested by poll.

If the last three months in this Legislature have taught us anything it is that we need a reform of the legislative process. We could start the reform of that process by having budgetary matters referred to committee on a regular basis and by not approving six months' interim supply. Instead, we should allow this government to spend only a quarter of its budget at a time with a three months' supply motion. We want those beggars accountable. Every time this Legislature is not sitting, they betray their own principles and the people of Ontario.

The results of the election tonight in Hamil-

ton West show that the people of Ontario are beginning to understand that the only difference between the Minister of Correctional Services (Mr. Leluk) and the member for Brant-Oxford-Norfolk (Mr. Nixon) is that of physical girth. There is not that much difference between them and the people of Ontario are beginning to recognize that. If Hamilton West can vote NDP, no riding in this province is safe for the Tory-Liberal coalition.

**Mr. Breaugh:** Mr. Speaker, you do not know what a pleasure it is to participate in this debate this evening. As the night goes on it gets even more pleasurable.

These supply motions are all about numbers and the last set of numbers I want to read into the record are 7,572, 5,552 and 5,381. On the sheet I have, that puts the Liberal Party right where it ought to be, dead last in third place. If they wish, we can talk about exchanging benches tomorrow morning. I suppose we will have to renegotiate how much money each caucus gets for research capacity, but after today's election in Hamilton West I do not think there should be any problem.

The word is clearly in. The Liberal Party in Ontario shed one image and decided it was no longer associated in any way, shape or form with the federal Liberal Party. Therefore, after today's results, they should be prepared to say that they want to shed their relationship with the Ontario Liberal Party. That leaves only the member for Rainy River (Mr. T. P. Reid) and the Liberal-Labour Party still standing as an entity they have not tried yet. I would not be surprised at all if tomorrow they came in here and made some announcement that they had shed all connection with the provincial Liberal Party as well and were now about to become the Liberal-Labour Party.

**Mr. Conway:** How about the Ontario reform association?

**Mr. Breaugh:** You see, there is another. The second one has come out: the Ontario reform association.

**Mr. Conway:** We used to be called that.

**Mr. Boudria:** I have told you a million times not to exaggerate.

**Mr. Breaugh:** Not to exaggerate. Well, I—

**Mr. Conway:** Well, I don't know. Where are Colin Isaacs and those by-election victors of recent months?

**Mr. Breaugh:** I notice that the member for Renfrew North is reminiscing tonight about



previous good times they had. He seems a little short on commentary about this evening's transaction.

**Mr. Conway:** Listen, Michael, I conceded, I thought, gracefully.

**The Deputy Speaker:** He missed your speech.

**Mr. Breagh:** Gracefully, a concession wrung out of him; I think that is worthwhile.

The second thing I wanted to take note of before I begin my comments this evening is that I thought I heard some comments earlier this—

**Hon. Mr. Leluk:** You see, if your leader had run he would have had a seat by now.

**Mr. Breagh:** What's this?

**Hon. Mr. Leluk:** If your leader had run he would have had a seat by now.

**Mr. Breagh:** Well, that is the point I wanted to make. The Minister of Correctional Services is referring to the fact that the new leader of the New Democratic Party is very busy. By my calculations, if we keep—

**Mr. Boudria:** Claire Hoy calls him "Chicken Bob."

**Mr. Breagh:** Who? Whom are you quoting now?

**Mr. Boudria:** Claire Hoy.

**Mr. Breagh:** Oh, the Liberal Party in Ontario is now quoting Claire Hoy as a mentor. I think somehow that is appropriate. The Liberal Party in Ontario is shifting its ground carefully and steadily and now, having shucked Trudeau, has picked up Claire Hoy as its philosopher prince. That seems fair to me. It is a slight shift in political philosophy, I suppose, but since they have walked one side of the street and were not very well received on that side, it only seems logical that they would move over to the other side of the street.

**Mr. Boudria:** We have still got 50 per cent more seats that you do.

**Mr. Breagh:** Not in Hamilton West you don't. You had it, but you don't have it now. So I think there are interesting things here.

Just to respond very briefly to the Minister of Correctional Services, who seems upset, a little beside himself, and wants to make a couple of comments about my new leader, I think I understand why he is upset.

**Hon. Mr. Leluk:** We have not seen him for a while. Where is he?

**Mr. Breagh:** There is a reason you have not seen him. The new leader of the New Democratic Party is out on the road these days. He is

talking to the people of Ontario. And quite frankly, if we keep winning seats like Hamilton West I will be content.

**Hon. Mr. Leluk:** He should be looking for a seat.

**Mr. Breagh:** He is out there looking for a seat, and he picked one up tonight. It is called the riding of Hamilton West. If you would like to have a few more by-elections, we will keep him on the road. He seems to be doing not a bad job out there. That is a seat we did not expect to win easily.

**Hon. Mr. Leluk:** He should be doing a job in here.

**Mr. Breagh:** Well, he is doing the job, you see. That is the problem. I understand why you do not like it; I understand why you would like to have him in here. But from my point of view he is doing a hell of a job out on the road. It seems to me somebody in Ontario is listening to the people. More than that, it seems to me that somebody in Ontario, like the new leader of the New Democratic Party, is talking about the things people are concerned about. He is identifying some issues, and he is proposing some answers that the people see as being sensible. So I am quite happy with the given situation.

I think, too, it reflects something that more and more people in our society are beginning to understand. They have seen the federal Liberals in charge of this great nation of ours put forward their budget ideas.

**Mr. Boudria:** They saw the NDP in Saskatchewan with similar ideas.

**Hon. Mr. Leluk:** And look what happened to them.

**Mr. Breagh:** They saw Allan MacEachen put forward a budget last fall, and then they got to see the Treasurer of Ontario put forward a budget this spring. They are measuring those two budgetary proposals and looking for some distinctions between the two approaches, and they are not seeing very many.

I think what is reflected in part in that by-election in Hamilton this evening is that this is the truth: Ordinary people where they work and where they live are seeing two levels of government respond in an almost identical manner, stating pretty clearly their priorities are not about what happens to people who are just ordinary people; that is not where their interests are; that is not where their concerns are. Their concerns lie elsewhere. That is why we see, though many times I have heard the Premier say that when he brings forward—oh, I am sorry. I

have to read some more numbers into the record here. There are only five polls to go. The New Democratic Party has 8,300 votes. The Progressive Conservative Party has 6,900 votes and I believe what is still called the Liberal Party has 6,600 votes, third place.

**Hon. Mr. Ashe:** Shall we move the seat over tonight?

**9:30 p.m.**

**Mr. Breagh:** The Minister of Revenue has suggested some changes in the seating arrangements in the chamber. I know there will be some vacancies in the front benches over there shortly, but I was not aware there were that many concessions coming. Perhaps there are; there certainly should be.

**Mr. Conway:** It is a long road in politics that has no trash cans.

**Mr. Breagh:** I do believe I hear a lament from the front bench to my extreme right over there. I have been at Irish wakes before, and I know that things usually get interesting when the laments start. I think that is kind of a good sign for a great many people.

**Hon. Mr. Ashe:** First to third is pretty bad. We were consistent, second to second.

**Mr. Conway:** That is a very selective interpretation of the election history of Hamilton West.

**Mr. Breagh:** I thought there were more concessions coming. I see people on both sides wanting to speak and I am sure they have valuable things to say. I thought perhaps there were more by-elections being called. I am rather anxious that as many by-elections as possible be held in the next little period, because we have a lot of things we would like to accomplish.

**Hon. Mr. Ashe:** What about one in Oshawa so we can get your leader a seat?

**Mr. Boudria:** Which one of you is going to resign to give Rae a seat?

**Mr. Breagh:** The way elections are going tonight, it does not appear necessary that anybody in this caucus resign. We can just sit around and wait for other people to die off and pick them off one at a time. It is like an old Tom Mix movie, you just wait at the pass.

**Mr. Roy:** Will Bob take it, that is the problem.

**Mr. Conway:** Could you win again with Michael Cassidy?

**Mr. Breagh:** I think this evening we could win with a whole lot of folks. Back to your lament.

I think a lot of people in this province are

taking a look at two very old and very tired political parties which are putting forward in very difficult times, and we all understand that, their proposals for change and their priorities for spending and for taxation. If we look at Allan MacEachen and the kind of proposals he put forward, we see a kind of hold-the-line attitude. Those people who are reasonably well off in our society will be able to withstand a little bit more pain in certain areas. In fact, in a sad and cruel way, those who have wealth in our society are not unhappy with high interest rates, because they are in a position to capitalize on that profit. They are in a position to make money on high interest rates. Many of them are not that concerned about losing their homes.

As in every recessionary period, one of the bitter ironies is that we see that those large ticket items—larger than what most people really consider to be within their range to purchase; luxury automobiles, luxury homes—those things continue on a very steady trend, because the market for those things is relatively constant. The middle of the economy, those people who are still contemplating buying Chevrolets and cars of that nature, is where the market suffers most. We cannot really expect the poor are going to live with less, because they do not have anything to cut back on.

I would have thought, looking at the approach of the federal Liberals to our economy, that they had very clearly identified what they wanted to do, which was hold the line. In some strange concept that is beyond me, they decided that the poor can take a little bit more pain, more consistently. There is no need to attack major items that are problems in our economy, like our unemployment. There really is no need to review the needs of our economy from a strategic point of view, from a research and development point of view, from a new manufacturing point of view. They can just hold the fort and wait it out.

Of course, many of the federal Liberals are in a position to do precisely that, without much pain. They can withstand it all. There is a Prime Minister in the country who, it is rumoured, is unlikely to seek re-election, so he is not going to be around and there is an opportunity there for a rebirth. At some time a brand new white-haired leader can enter their chambers and lead them off down on a whole new revamped process.

The irony is, in Ontario it is much the same piece of business. One would have thought, listening to the Premier of Ontario in the last



election campaign, that great things were about to happen in this province; he was about to do great and promising things for Ontario. The whole theme of the election program was built around that and all the promises that were in things like the Board of Industrial Leadership and Development program. All those things were key parts, and there would be substantial changes.

Yet we are now into the kind of post-honeymoon period with this government and we still see their true economic policies coming out of the woodwork. Now we are seeing that all those great promises, once made, are not necessarily promises that have to be kept, that there are variations on that scheme, that really they do not have to do those things, that they had no intention of doing those things, that in fact they are prepared to blame other levels of government and then turn around and do exactly the same thing themselves. It is a rather ironic twist that is cruel to those people who bear the brunt of it.

In relation to the discussion that we are having this evening, how ironic it is to see this latest budget. I suppose the best one could hope for would have been some sensitivity to the economic reality. Instead, we see a reaction to a polling system which the government has used extensively in the past, and a spreading of a most unfair tax right across the population.

If during an election they had said, "This is a government that really wants to tax kids' lollipops," the public at large would not have believed it. If they had said, "We want to put a tax on the Dickie Dee kid on a bicycle who sells ice cream cones in the neighbourhood," nobody would have believed that. If they had said in an election period, "We want to tax the guys as they come off the building site. We want to get them at the coffee wagon, that's where we want to grab them"; if they had said in the middle of an election, "Listen, we want to catch every ladies' auxiliary in Ontario and turn it into a tax collection agency for the government of Ontario," it would have seemed incredible. Nobody would have believed that a government would be so cold, insensitive, greedy, money-grubbing and unthinking as to move into those areas for its source of taxes. One would have said that was ridiculous.

I saw a sign on a wall somewhere, a kind of political slogan, which said, "Make the rich pay." I do not know who put it up there, but it appears to me quite appropriate that with one small change this government seems determined

to make the poor pay. I do not understand it. My mother always told me that you really cannot get blood from a rock. It is a silly notion to try, by taxation, to attack the poor, to extricate pennies from kids, to have school kids picking up sales tax, to go into the fast-food places and say that is where you are going to put a grab on people, that that is the kind of taxation money you need.

I thought it would not be a rational concept to say that a government would tax food, but, heaven help us, that is exactly what they are doing. This latest round of tax grabbing is a unique effort. It brings to the forefront some of the things which people have said about the federal budgetary process, people like Allan MacEachen, who, having stepped on a bit of a land mine, has suddenly decided that perhaps it is not necessary to have the Finance minister be the only person in Parliament who knows what is going to happen on budget night; that perhaps it would be a sensible thing, openly and publicly, to talk to the members of Parliament and have wide public consultation with the people who are going to be affected.

Perhaps it would be a rational thing, in Ontario, for the Treasurer to go through his concepts about the areas of the economy he wants to tax; for other people like the Minister of Revenue at the same time, prior to the grand announcement, to go through all of the regulations to see that they do make sense, so that at least the Minister of Revenue would know a week or so after these things are announced, and a month or so after the budget is announced, at least the person responsible for the collection of these taxes would have some clear understanding about where he was getting this tax money. At least he would be able to answer during question period simple questions about whether something is a taxable item or not, instead of screwing up 50 per cent of the time.

It seems to me that is a pretty logical piece of business. Without making a broad call for the great reform of parliament—which I think is overdue as well—wouldn't it be a sensible and a logical thing to do that small piece of business, so that when they announce what evil deeds they want to do they will have at least figured out how they are going to carry out these evil deeds, and the public would have immediate notice of what the taxation measures are and an immediate and direct understanding of how they are going to get them?

9:40 p.m.

We have before the House tonight, just briefly after a budget was announced, a request for cash on the basis of an interim supply motion for six months. The great, grand plan for our economy in this province, the great, grand plan for taxation measures is hardly in its grave yet. Rigor mortis has barely set in to the Treasurer's fair body. Now he is here on bended knee looking for interim supply to keep things rolling.

Did we not just have the grand statement of what is going to happen in Ontario for the next year? In theory we did, but in practice we have not even figured out yet who is going to steal the money from the poor. We have not really identified that. We now have people who are unlicensed vendors supposedly out there collecting a sales tax that is not yet law, that has not even had second reading in this House, with a set of regulations that are not yet published, are changing daily and are not even clear in the Minister of Revenue's mind.

What way is that to run anybody's parliament? Worse yet, never mind the parliament, what way is that to run the economy of a province? Does the minister have a hope in hell of economic survival when he cannot even figure out how to get the pennies out of the piggy bank, so to speak? He has not done that yet.

Is that a reasonable, rational way to proceed? There are many in Parliaments here and federally who say no, it is not. Among those are people like Joe Clark, bless his little soul, and Walter Baker who have all written dissertations on the matter. Even Allan MacEachen has now done that.

There is a growing realization that the process we are going through tonight is not sensible. It is not rational. There are better ways to do that. If one looks at our neighbours to the south, who operate under a political system I do not happen to think is the greatest in the world, at least they have figured out one or two things: it is nuts to try to put together a budget without knowing accurately what incomes might be, what taxation proposals might be or what regulations might be before one begins to license the people who collect that money for one. The American budgetary system is dead opposite to what is being done here.

I do not see anything in here that is going to help anybody. Most of us come from areas of the province that are really in bad times. In my own area, it is a crucial piece of business because the major economic factor in our district is in great difficulty.

There is no response in the budget to the proposals the Canadian automotive industry needs. There is not much recognition of the severe problems there. I guess it is a sad comment on parliament in Ontario and the governing process in total when, prior to an election, there appears to be great sensitivity on the part of the government to the needs of particular sectors, and then after the election there is no sensitivity.

In the course of discussing these budgetary concepts with people around Ontario, we had an opportunity to visit different parts of the province with members of the caucus in a little task force forum, going to see people in municipalities and listening to the real, quiet rage that is there at the municipal level.

Municipal politicians follow provincial and federal politics with great interest, perhaps more so than the population at large does. They have listened to the screams from the Treasurer of Ontario that the federal government was changing all these funding arrangements without consulting anybody, that Ontario and all the other provinces had not been consulted when that established programs financing act was put together.

The real crime of it all is that was supposed to be a reasoned, rational and planned response to the needs of a country and here was the federal government once again being the villain of the piece by changing that tax-sharing arrangement without consulting properly with the provinces.

That is the same man who walked in here on budget night and changed the arrangements with the municipalities dramatically without even a peek, an announced intent or a tea party to celebrate what was going on. Not even a sympathy letter went out. There was no consultation.

The particularly brutal part of that is most municipal governments are up for re-election this fall. Prior to an election period they respond, as this government and the federal government respond. They attempt to be sensitive in an election year. One of the things people are aware of is there has been a constant flow of provincial programs, almost totally provincial in nature, back on the municipal property tax base. It goes across the board. It is hardly hit-or-miss. It goes from policing to hospital costs to social programs, through a great range of things which this provincial government thinks up, entices municipalities into and then loads on to that property tax base—even though, and almost every member in here would agree,



the municipal property tax base is pretty close to its saturation point.

It is an unfair way to try to run social programs. It is a tough way to try to run an educational system even on partial terms of funding. There are real problems with that. Yet, at the same time, they have been pointing to the federal government saying, "You are ceasing to share properly your financial capacity with the provinces." In the same breath they turn around and put on to the municipalities the exact same problem.

When we went to different municipalities we met a lot of shock and anger. People said, "We went through our municipal budgetary process." I want to point out that in this country the municipalities have the only budgetary process which is open and where people can go to see how the politicians are putting together budgets. They can sit in at committee sessions and watch municipalities make their choices and establish their priorities.

People off the street who are ratepayers in a given municipality can go to express an opinion about spending priorities, whether to build a rink, road, softball diamond or new swimming pool, or whether to continue a road program or go into park land or a library. Unlike both provincial and federal levels of government, all of those things at the municipal level are very open. It is very similar to the American concept where they talk to people before setting their tax programs and before establishing the spending priorities.

Our municipal politicians have just come through a difficult period. This government has been preaching restraint to them for some time now. There has not been a substantial alteration of major grant programs for some time but there has been a loading of new programs through the municipal level and they are in trouble.

Quite normally and naturally in an election year, they are very sensitive. Almost all of them went through their budgetary process exposing their ideas and choices to the public as they went through it, which is very dissimilar to what the Treasurer of Ontario did, and they were mindful that they thought there would be some fairness applied to this. They were mindful that the Treasurer of Ontario was one of the foremost screamers at the federal-provincial conferences about consultation. At least they were under the impression that there was some common line of agreement here, that some fairness would apply.

They felt the Treasurer—claiming the federal

government to be a foul perpetrator of deeds—would not turn around and do to them what he was accusing the feds of doing to the provinces. But he did, and on budget night he hit them. He hit them in kind of sly and sneaky ways, ways which they cannot really get out of either. He hit them with the Ontario health insurance plan. They cannot budge on that. They are bound into agreements with their employees, quite normally and rationally, which identify clearly their share. He hit them again with little things like licence fees; small things perhaps, but matters which municipal governments are pretty sensitive on.

He hit them again when he went after things like putting sales tax on building materials, services and supplies which they buy. This does not sound as if it would have a major impact unless one has been on a municipal council, as many members in here have. After going over the municipal budget proposals there is not a whole lot of room to manoeuvre in there. Lots of times hard-nosed decisions are made. Somebody will say they have to get \$20,000 out of this budget somehow. They know that taking \$20,000 out means losing another \$80,000 in shared grants from some other level of government, but if the \$20,000 has to go, it has to go and out goes the service as well.

These municipal people have gone through that whole process. They have borne the pain of setting their spending priorities and taxing proposals in public for the forthcoming year. They sometimes spend a lot of time, anger and frustration looking at other local levels of government such as boards of education and police commissions and saying, "You really did not do as tough a job as we did."

Imagine their shock and dismay when they got whammied by the Treasurer. Imagine that. How would members feel if they had gone through this whole process and the day he announces with one simple announcement, he does not jab one with another \$5 or \$10 here and there; in total, most mid-sized municipalities we have asked are being hit for around \$1 million. Then, to add more aggravation to that, he comes back and announces a wonderful little program of job creation for the short-term summer period.

**9:50 p.m.**

I would like to see this government put in place and react to some federal program which the federal government said they had to get ready within six weeks' time. This government would be beside itself because there was no

notice or lead time given, saying it takes time to work out proposals, to get the application forms processed, to put all of the stuff together. Yet the Treasurer expects the municipal governments in this province to do just that.

That is nuts. Quite frankly, it does not make an opposition member like me very susceptible to being friendly towards supply motions at this short period.

We talked a little bit about a couple of other things in the industrial sector as well. One of the things that I must admit is not high on my priority list is the Canadian shoe industry. That is simply because we do not have very many people in my area who work at the manufacturing of shoes. But it is true that in many parts of the province, and it was once true in Oshawa where we had a major tanning operation, the shoe industry is at least in place. It is fairly modern in many respects. It is competitive in the world market in some respects and not in others, and it has fallen upon tough times. People who are used to earning a decent, honest living by making shoes in a factory are now working three-day weeks instead of four- or five-day weeks.

The shoe industry itself is in trouble. This government, I know, has been briefed thoroughly by the shoe industry. It is aware of the problem, but it seems to be taking the exact same attitude to the shoe industry in Ontario that it took for so long to the auto industry. It seems to have some passing awareness of what things like sales tax on kids' shoes really do. It seems to have some minimal knowledge of that.

It is aware, as is anybody else in our society, that sometimes symbolism is just about as important as reality. If a government makes a move to provide some assistance to one part of our economy, one industry, that often will focus some attention on that industry and around that will come some small measure of assistance over what the government gave it. The fact that the government paid some attention to the needs of those workers and the needs of that industry generates a little life of its own.

They cannot even get that from this government. They have been pleading with this government for five or six years now to simply raise the exemption level, let it keep pace with inflation, let it move up a little bit to reflect simply the reality of the marketplace out there. They cannot even get this government to respond to a simple request like that and, worse yet, they find that the government runs in the other direction.

This government seems quite paranoid to make sure that nobody does a single thing in this province, that no purchase occurs, no service is rendered without tax being paid. In as many ways as it can conceive of, it wants to grab some tax money even if it knows that will affect the market, the industry, the jobs and, in the long run, the revenue base of this province. It seems to have little regard for that. It does not care about it. It now takes the same attitude with the shoe industry as it took three or four years ago with the whole auto industry: it chooses to ignore it; it chooses not to respond to it.

At the very best, one can perhaps say that the government has the small manners to listen to what the problems are. I do not know whether it is afraid to speak publicly to the federal government about the needs of our industry. If it is, I am damned if I know why. Are they proud? Are they ashamed to say openly and honestly that we have some industries in this province that are dying on the vine and need a little help, maybe even need some protection from off-shore competition?

What is wrong with us? Why are we too proud to do that? Why is it that the Japanese and people in many other countries simply say, first and foremost: "If our people are to survive, they must have jobs; and if our economy is to grow, prosper and develop, we need a little content legislation. We need to make sure that when layoffs occur in worldwide industries they do not hit bang on to us."

In the auto industry, it is simple. There are countries in this world, automotive-producing nations, where the layoffs do not exist. The reason they do not exist is that the governments in those countries say: "If you want to lay workers off, lay them off, but do not come to the governments afterwards and ask them and everybody else to pay the social cost of the layoffs. Lay them off if you want to, but you pay them."

In this country, and in the United States, strangely enough, we seem to be so stupid as to allow the private sector to say, "We are going to lay all these people off." And the municipalities say, "What do we do now that they have laid off most of the workers in my town or now that they have a heavy impact in other towns?" We lay it off on some other level of government. We shuffle it off to some other person in our society. But we do not go to the automotive producers and say: "This is your idea. You pay the consequences." That seems to me to be a reasonable and rational way to proceed.

In most of the European countries where



governments have taken that attitude, they are not taking layoffs. There is no big downturn in the auto industry. There is a constant progression and development and the industry gets better. One of the things I find pretty aggravating is the mentality that flows now. It is very trendy to talk about Reaganomics; but aside from the trendiness of all that, there is a great deal of thought of politics and the process and particularly of fund-raising.

I happened to spend a bit of time at the convention of the Federation of Canadian Municipalities lately. I was impressed, for example, by one morning session in one of the committee rooms, where they were discussing housing. Not too long ago, this was a matter of great concern to all levels of government in Canada. All of them were very interested and active in the field of providing housing to people. Now it is rare to find any government anywhere in Canada thinking a lot about the provision of housing services to its population, even though we know that people are losing their houses, even though we know the interest rates are driving people out of their homes, even though we know the supply of rental apartments in most municipalities is pretty much the same as in mine. It is just not there. There is not a great deal of talk. There are no great programs announced. It seems to be something that is *passé* for government.

At this conference, where there were supposedly some 600 delegates, there were about 25 or 30 of them present at the morning session. I went upstairs to listen to what I thought would be another interesting discussion about energy costs and transportation. It struck me that the place ought to be jammed. Most people around Metro Toronto and in Metro itself are concerned about energy costs, transportation and things like providing GO train service throughout a whole commuter corridor. People should be talking about that. Yet there were only some 25 or 30 delegates present.

In the other session, the third session they were running that morning, there was an itemized litany of how many ways one can contract out. How many ways can a municipality get rid of its responsibility? How many ways can it gyp its employees? How many different names can be put on these things? In how many different sectors of the operations it runs can it start dumping into the private sector?

That is fair game. I suppose, as politicians go, we are all interested in other people's theories of how government should operate. But what I found absolutely amazed me, because it seems

to me it would be a rational exercise if people were in there saying: "That is a really interesting idea. Tell me, how much money do you save? How much do you save in the short run? How much do you save in the long run? How do you capitalize on the standard equipment you already have? What about the facilities you own? What about the financial and legal obligations you have?" However, there were not a whole lot of questions about that. People there seemed to want to hear more. How many other ways can we sock it to people at the municipal level? How many other ways can we get rid of our responsibilities to municipal employees?

What I found sad about that was that there was not a careful analysis of whether these were good or bad ideas, whether they saved money in the short run or the long run, whether they provided a better or different level of service or service in a wholly different area. There was no questioning of these things. It was, "Gather up the latest and most recent way to shed your responsibility." I found it perplexing in that session, because the place was jammed with people. I suppose that is normal.

On reflection, that is just what all levels of government are doing in this nation at this moment. They seem to be trying to shed their responsibilities. They seem to be trying to lay them over into the private sector with not much careful analysis of whether the private sector is even interested in responding to those needs.

#### 10 p.m.

In this budget and in this supply motion there is a lot of that going on. The Treasurer of Ontario is saying, "We are going to have to take a look at whether it really is our responsibility to do anything about housing or to provide a transportation system for the people of the province."

I found some of the stuff he had to say in his budget presentation a little on the dumb side. I wish someone would provide me with the rationale whereby the Treasurer of Ontario rises in his seat and says it is the people who are dependent upon the province for survival at that level—people who are at the poverty line, below the poverty line or a few fortunate souls just slightly above the poverty line—how does he decide that is the group to which he says, "You cannot expect to keep up with the level of inflation off the Treasury of Ontario"?

He sure as hell did not say that to the Premier when the Premier wanted to buy something. He sure did not say that to a lot of other people at the upper end of our economy. He did not go

after those people at all. For example, in the budgetary proposals of the Treasurer there is in a rather moot form what is now being bandied about, I take it, in the federal Liberal caucus as well; that is, a return to the panacea of the free enterprise system: when you get in trouble, sock some kind of wage controls on.

What I find a really nifty piece of business is that if I were the Prime Minister of Canada, making \$120,000 or \$130,000, and if I were given a large mansion, two Cadillac limousines, three or four jet planes to travel around the world, somebody to look after my kids and even the food on my table paid for, I guess maybe my position on wage controls would be: "Why not? Freeze it at \$124,000 a year. So what?"

At the bottom end of the scale, when one looks at an ordinary working family and talks to people who are already having difficulty with their mortgages, with some of them losing their houses, there are already people at the point where they say: "We just cannot make major purchases any more. It is beyond our capacity."

People are having some trouble putting together enough money to meet their existing expenses. Say to those people, "Wage controls are the answer," and they all look in bewilderment and say: "You are nuts. I can't live on what I am making now. Inflation is taking it higher and higher, and you expect me to get nothing in return for my services."

That is where the whole wage control philosophy falls flat on its keister. It cannot even stand the analysis of middle-income people any more because they are all faced with those problems. They understand this is not going to give one other person in a factory a job. This is not going to give anything except more pain and misery to one's neighbours or one's neighbours' children or the families one lives and works with. It is not going to do a thing for the province's economy as a whole.

Planted firmly once again in the middle of what the Treasurer wants to do with the province these days is that nifty little concept that I thought was long gone and dead. It should have been dormant. It has been tried within the past 10 years in this country. It has been tried in many other countries. It has not resulted in any good for anyone. It has not wrestled inflation to the ground, as the saying goes. It did not do anything for our economy. It did not give anyone a job. It is that funny little notion called wage controls.

On the last trip through, I noticed there was at least the pretence of saying "wage and price

controls." On this trip through, everyone seems to have dropped mention of price controls. Now there is, in word as well as intent, exactly what we had the last time: a system of wage controls which I thought had been tried in this country and on which I thought the consensus was that it did not work and was not successful in any sense. It did not produce any positive results.

Yet with governments at the provincial level and, I read in the morning paper, again in the federal Liberal caucus—if there still is one—an idea has come around for a second kick at the cat that somehow something which did not work five years ago is going to work now. How?

**Mr. Boudria:** There are more Liberals in the federal Liberal caucus than you will ever have.

**Mr. Breaugh:** We never have any members in the federal Liberal caucus and never will have.

**Mr. Boudria:** In any federal caucus.

**Mr. Breaugh:** My friend has a little trouble counting there.

I want to say it is a strange process that is at work here, because we seem to have a level of government that ought to—

**Mr. Watson:** The New Democrats are the only liberals west of Ontario.

**Mr. Breaugh:** If the member for Chatham-Kent had gone to Hamilton West and made that brilliant and incisive remark, the government might actually have won that seat back. It is unfortunate he did not do that.

**Mr. Watson:** I'll do it the next time.

**Mr. Breaugh:** Go over tomorrow.

**Mr. Watson:** If Rae runs in your riding, I'll come down to Oshawa and say it.

**Mr. Breaugh:** Any time the honourable member cares to come to Oshawa and walk down our main street, I will go right along beside him and show people that this is a Tory. We have not seen one of those in Oshawa in quite a few years. Maybe we could charge admission. It might be fun for an afternoon. I guarantee the member safe passage in and out of town, and I am sure my people would have a good laugh.

**Mr. Watson:** I was there one day, and you didn't even show up.

**Mr. Breaugh:** I do not doubt that. I do not hang around—

**The Acting Speaker (Mr. Cousens):** Order.

**Mr. Boudria:** Is the new member going to resign so that Bob Rae can run?

**The Acting Speaker:** Speaking to the motion for interim supply.



**Mr. Breagh:** Several members have questioned me tonight about whether I am going to resign, and I want to say to all my friends—

**Mr. Boudria:** No. Whether the new member is going to resign for Bob Rae.

**Mr. Breagh:** I do not think so. But I want to—

**The Acting Speaker:** I ask the honourable member to restrict his remarks to the subject at hand.

**Mr. Watson:** If he's going to make an announcement, let him.

**Mr. Boudria:** Mr. Speaker, the member for Oshawa is like the Maytag repairman: the loneliest guy in town.

**The Acting Speaker:** Order. The debate is on the motion for interim supply for the period July 1, 1982, to December 31, 1982.

**Mr. Breagh:** Mr. Speaker, some of these people cannot figure out why in this caucus one member can stand by himself in his place and do the job of an entire caucus while this wimpy little group on my right takes half a dozen just to hold the floor. And, of course, I do not know what the rule is over on the government side, because there are people on that side of the House whom I have not heard speak yet. I am not sure they can speak.

**Mr. Shymko:** You've heard me, Mike.

**Mr. Havrot:** There are more guys like you who talked themselves out of the House than talked their way in. Just look at your majority.

**The Acting Speaker:** Order.

**Mr. Breagh:** I think the member who just pointed so well is the member for Timiskaming (Mr. Havrot). I have not heard him speak publicly; I have read his comments on garbage trucks, but I have not had a chance to hear him speak.

**The Acting Speaker:** I ask the honourable member to refrain from responding to the interjections and to speak to the motion on the floor.

**Mr. Breagh:** I would be happy to; but if you are not going to keep order here, somebody has got to try.

**The Acting Speaker:** Thank you. I am trying, and I appreciate your assistance.

**Mr. Foulds:** Mr. Speaker, on a point of order: Would you just point your foot at the member for Timiskaming and try to keep him in his place, please?

**The Acting Speaker:** It is a hard job, but I will do my best. Will the member for Oshawa resume speaking to the motion on the floor?

**Mr. Breagh:** Yes. I want to get at that right now.

**Mr. Havrot:** You are such a bunch of angels.

**Mr. Foulds:** I thought it was on the table myself.

**Mr. Breagh:** On the table. There are some really good remarks coming in here, Mr. Speaker, which you ought to get on the record. Some of these members do not get a chance to—

**The Acting Speaker:** Do not allow yourself to be distracted.

**Mr. Watson:** He's running out of things to say.

**Mr. Breagh:** Mr. Speaker, I am not that easily distracted.

The amendment that is currently before the House, I think, is a sensible and rational approach for this House to take in dealing with the matter of interim supply. One of the things it is difficult for people on the outside—

**Mr. Watson:** Your members are really supporting you and listening to your speech.

**Mr. Breagh:** Mr. Speaker, I am willing to try to help you keep order, but you seem to be having a little trouble.

**The Acting Speaker:** I just cannot hear them as well up here as you can there. You can help me just by disregarding them.

**Mr. Breagh:** If I did not know better, Mr. Speaker, I would say you were an ideal Tory, because you have a hearing problem. I would not say that; I know you are not an ideal Tory.

**Mr. Foulds:** On a point of order, Mr. Speaker: All joking aside, surely it is your job to keep order in all corners of the Legislature.

**The Acting Speaker:** That is my endeavour, and I am trying to do so. I have said "Order" so many times that I am sure members are tired of hearing it. Member for Oshawa, will you please stick to the debate and speak on the subject?

**Mr. Breagh:** I should never have awakened you, Mr. Speaker. You are getting nasty all of a sudden.

I want to speak to the amendment that is before the House, which does what one would normally and logically think an interim supply motion ought to do. The amendment is pretty straightforward; I imagine most members will understand it. It says that an interim supply motion is a temporary motion, that it ought not to go for a lengthy period of time and that it

ought to be a mechanism the government uses just after or just before a major adjustment.

What people on the outside certainly would have difficulty understanding is the simple idea that if the budget itself, the major piece in a government's economic statement, has just been announced and is barely a month or so old, what is the need then to come in with a request for interim funds to carry the government over? If there is a need for interim funds, why do they need a half year's supply of interim money?

**10:10 p.m.**

I wonder how many households in this province do their budgeting on that basis, where someone comes in to the kitchen table and says: "Well, I need an interim supply motion tonight. I need half of my annual income tonight." I cannot do that in my household. The treasurer in my household would say: "You are nuts. You are going to get interim supply. You are going to get a week's supply of money, if you are good." I would never get away with walking into my household and saying: "I need interim supply. I have to have something to tide me over, and it has to be for a six-month period."

That is not a logical thing for a big, sophisticated, expensive, political and economic machine such as the government of Ontario to do. It talks about needing money to tide itself over until its budgetary policies are all settled down, until the arguments between the Treasurer and the Minister of Revenue are resolved about who is exempt from the new sales tax and how much sales tax will be collected, until the Treasurer resolves the very dicey problem of whether he really has enough moxie to make caterers and people who run coffee trucks go out and do a totally insane thing, that is, become an unlicensed vendor and collect a tax that is not yet legal.

One of the things the Treasurer ought to do in the three-month period that is the subject of our amendment is go out some morning to a building construction site. He ought to get in somebody's coffee truck and go out there. I have heard the Treasurer say, and I even heard the Premier say—though I doubt he has been out there that early in the morning—that this is not going to cause much inconvenience to anybody. I would like him to get in somebody's coffee wagon some morning and go out to a construction site and deal with the 30 guys who all want their coffee in five minutes, and figure out how they do that.

He should see how he likes taking abuse from people who are a little grouchy in the morning, who have a job that is not quite as soft and cosy

as that of the Treasurer of Ontario. Maybe he would like to go to a construction site at noon hour when people have a very short period of time to get fed, and other people drive a truck up—this is not La Scala we are talking here—and try to feed people in a short period of time. He should see how friendly people are to him, as he says, "Just wait a minute, I have to figure out the sales tax here." He should see how practical it is for somebody running that kind of operation to run out and get a computer-programmed cash register and stick it on his truck. He should see if he can afford it in these times.

Maybe during the period of interim supply that is being debated tonight, one of the things that should happen is that the Minister of Revenue ought to go around the province and talk to those groups he is now making tax agents—our cultural groups, our recreational groups, people who try to assist other organizations—and see how rational they think the proposal is that they become tax collectors for Ontario.

The irony is that the government of Ontario will suck out at one end of the process some small additional amount of revenue. At the other end of the process, there will probably be more applications made for government assistance, because what those supposed free enterprisers over there are doing is destroying people, destroying that basic concept.

There are all kinds of organizations who fund themselves independently of the government, who like that idea, who work very hard to keep their cultural or recreational groups together, and who need every penny they can get. They need the money much more than the Treasurer does. One of the sad things he is now doing is making them more dependent on an agency they are not particularly happy with, and that is the government of Ontario.

The amendment that has been provided for the House to consider this evening is a clear, simple and logical piece of business. It does one simple thing. It says that an interim supply motion ought to be that. It ought to be for a time period that is reasonable and is really interim. That is all the amendment does.

Mr. Speaker, if we could only get some common sense and some rationality into this parliament and into almost all levels of government, and concepts as simple and as sensible as the amendment that has been proposed, we would all be much better off.

**Hon. F. S. Miller:** Mr. Speaker—



**Mr. Martel:** Miller, you brought the Tories down tonight.

**Hon. F. S. Miller:** Yes, I certainly think I am owed a vote of confidence and thanks from that party. I want to say it is a sad fact that their leader did not have enough courage to go and put his name on the line. Too bad.

**Mr. Martel:** Mr. Speaker, on a point of privilege: I want to tell members that I hope the Treasurer, when the time comes to call an election, will not try to drag it into a winter election because we will take him with Bob Rae any day of the week.

**Mr. Speaker:** Order.

**Mr. Martel:** Let's go.

**Hon. Mr. Leluk:** You're whistling in the wind, Elie.

**Hon. Mr. Grossman:** Your new member is the new Colin Isaacs; in by nine, out by eight. Quick dry-cleaning.

**Hon. F. S. Miller:** I call him the leader from never ever here.

**Mr. Martel:** Call him what you want, you ran third.

**Mr. Speaker:** Order.

**Hon. F. S. Miller:** When the leader from never ever here comes back, we will be glad to see him.

I listened to the last speaker, the member for Oshawa, and I have to comment, although it is not normally my practice to make comments at the end of an interim supply debate. The absolute lack of understanding of the requirement of the interim supply motion demonstrated by the member for Oshawa really frightens me. He says, "What a way to run a business; you have to come in and ask for half a year's pay now because you do not know what you are doing." I would hope that he would be the last person to think we would work without the authority of this House to spend money.

He knows the budget process is the only process which allows the spending of money in this House. Until the budget process is finished and the bills are passed, we can only spend money on the basis of the interim supply motion. That is why that motion is before this House. The money is not spent on that day. It is spent across those months and we have to recognize that.

**Mr. Breagh:** Mr. Speaker, on a point of order: I do not want to shock the Treasurer—

**Mr. Speaker:** Let us hear your point of order.

**Mr. Breagh:** —but the matter before the House, and I thought, Mr. Speaker, you might have picked it up, is an amendment to the supply motion, not the supply motion.

**Hon. F. S. Miller:** I understand that, Mr. Speaker, but in either case, the paucity of information contained in those extemporaneous and lengthy comments indicates the small amount of knowledge in the brain.

**Mr. Martel:** Your budget indicates that.

**Hon. F. S. Miller:** Mr. Speaker, I am finished with my comments and am prepared to have the votes.

**Mr. Speaker:** Hon. F. S. Miller moved, seconded by Hon. Mr. Gregory, government notice of motion 8:

That the Treasurer of Ontario be authorized to pay the salaries of the civil servants and other necessary payments pending the voting of supply for the period commencing July 1, 1982, and ending December 31, 1982, such payments to be charged to the proper appropriation following the voting of supply.

Mr. Cooke moved, seconded by Mr. Breagh, an amendment to the motion as follows:

That government notice of motion 8 be amended by changing "the period commencing July 1, 1982, and ending December 31, 1982," to "the period commencing July 1, 1982, and ending September 30, 1982."

All those in favour of Mr. Cooke's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

10:20 p.m.

**Mr. Speaker:** Order. We will proceed with the main motion.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

#### BUSINESS OF THE HOUSE

**Hon. Mr. Gregory:** Mr. Speaker, before the adjournment of the House, I want to indicate the business of the House for next week:

For Monday, June 21, afternoon and evening, second reading of Bill 115;

On Tuesday, June 22, second reading of other budget bills in this order: Bill 111, Bill 113, Bill 112, Bill 114, with committee of the whole House as required;

On Wednesday, June 23, afternoon and evening, second reading of Bill 127;

On Thursday, June 24, in the morning and evening, second reading of Bill 46 and committee of the whole House as required, followed by second reading of municipal bills in this order—

**Mr. Foulds:** Morning? We're not sitting in the morning. The hell we are.

**Hon. Mr. Gregory:** You did not catch that?

**Mr. Martel:** No, no, keep going.

**Mr. Foulds:** You say we are sitting in the morning. We are not sitting in the morning.

**Mr. Speaker:** You had better speak to your House leader. There should be some communication over there.

**Hon. Mr. Gregory:** Bills 12, 13, 15 and 29; and 92, 62, 105, 119, with committee of the whole House on those bills and on Bill 28.

On Thursday afternoon, we will have private members' ballot items standing in the names of Mr. Samis and Mr. McKessock.

On Friday, June 25, committee of the whole House on Bills 26 and 84, followed by municipal bills continuing from Thursday.

Interjections.

**Mr. Speaker:** Order.

**Hon. Mr. Gregory:** Thank you, Mr. Speaker.

#### BY-ELECTION IN HAMILTON WEST

**Hon. Mr. Davis:** Mr. Speaker, I would beg the indulgence of the House, because I will not be here tomorrow morning, to take this opportunity to express on behalf of the government my congratulations to Professor Allen, the successful candidate in the by-election in Hamilton West.

I should extend those congratulations to the leader of the New Democratic Party as well, although if I could offer him any hindsight advice, I am not sure why he was not the candidate in Hamilton West. But I do most sincerely offer my congratulations.

While I have this occasion, I would also like to express to the candidate of our own party,

Mr. McMurrich, my congratulations for waging an excellent and aggressive campaign.

I think the House leader for the Liberal Party will understand if I am not, on this evening, modestly provocative—which I think I could be, considering the final result of the Hamilton West by-election—except to say that the Liberal candidate did participate in a democratic process.

**Mr. Conway:** Mr. Speaker, with your indulgence: Since some members were not present for an earlier opportunity, I would not want anyone, particularly the leader of the government, to get a wrong impression.

I, too, on behalf of my colleagues, would like to extend our very best wishes and congratulations to Professor Allen. I have not encountered him as a candidate, but I know him to be the author of some excellent social history of this great country. I want to extend to Professor Allen very best wishes on his electoral success this evening, and certainly to our candidate, Mr. Barbera, and to the Conservative candidate, Mr. McMurrich, our very best for having waged vigorous campaigns and for having participated in the electoral process.

**Mr. Martel:** Mr. Speaker, let me simply thank the Premier and my friend the member for Renfrew North (Mr. Conway) for those words of congratulations. It is always nice to win. We have known the pangs of defeat; we do not win with smugness.

But I do say that the budgets of the Treasurer (Mr. F. S. Miller) and that fellow in Ottawa, Mr. Allan MacEachen, have done great things to change the attitudes of people in this country. I say with sincerity that I hope it makes the government reconsider some of its positions on the budget, and maybe it will make some changes that will appease some of the people.

The House adjourned at 10:26 p.m.



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Ontario, LEGISLATIVE ASSEMBLY

No. 79

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Friday, June 18, 1982

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Friday, June 18, 1982

The House met at 10 a.m.

Prayers.

## HAMILTON WEST BY-ELECTION

**Mr. Foulds:** Mr. Speaker, I rise on a point of enjoyment and a point of privilege. I am sure all members of the Legislature will want to welcome in the gallery, first, Eileen and Bob Rae, and, of course, the newly elected member for Hamilton West, Richard Allen.

Richard Allen's victory has been widely reported as a protest victory. I want to assure members that it is much more than that. As all members of this Legislature get to know Richard Allen as a colleague, they will recognize his dedication, diligence and, if I may say so, his intelligence.

**Mr. T. P. Reid:** It will make a nice change from the usual NDP member.

**Mr. Martel:** You would have difficulty in recognizing it, Pat.

**Mr. Speaker:** Order.

**Mr. Foulds:** In spite of the heckling from the rabble here to my right—who I remind the House came third—forgive us in the New Democratic Party if we live for a few moments in the reflected glory of Richard Allen and his victory. I am sure his contribution to this Legislature will be a positive and productive one, and I am sure all members will join me in wishing him a long and distinguished legislative career.

**Mr. Peterson:** Mr. Speaker, on the point of view brought up by my colleague, I would like to add the congratulations of my party to Dr. Allen. I have not had the privilege of meeting Dr. Allen, but I can say that from everything I have heard he is an outstanding individual and will serve the process well here at Queen's Park.

I would remind him that we are at Queen's Park and not in Ottawa. I am glad he drove here this morning rather than taking a plane to Ottawa by mistake. I want to say it was a great fight. It was well waged, and I am looking forward to getting to know Dr. Allen personally, as I enjoy so much knowing all of the members of this House. All of us in our own way are working together for the betterment of Ontario.

**Hon. Mr. Welch:** Mr. Speaker, I have already

had the opportunity of meeting Dr. Allen this morning and, indeed, the privilege of introducing him to a group of students from the constituency of Brock who are here from Oakridge Public School in St. Catharines. Those students will get special marks in current events for having had that opportunity to meet him this morning as he was climbing the stairs to take his place in the gallery to be welcomed here in the Legislature.

I also introduced our students to the Solicitor General (Mr. G. W. Taylor) and my neighbour the member for St. Catharines (Mr. Bradley). It was an all-party group although I hope they do not represent that all-party group necessarily at the appropriate time.

I do not think it is necessary this morning, in keeping with the spirit of the democratic process, to try to analyse what may or may not have been the motivation of voters yesterday. The fact is they elected Richard Allen and we congratulate him.

**Mr. Mackenzie:** The government's budget was lousy and the people told you so.

**Hon. Mr. Welch:** Whatever the reason, no doubt there will be many opinions shared. We should not lose sight of the fact that very capable people offered themselves before the jury of Hamilton West. Among them was Robert McMurrich, who carried the banner of this party with great distinction.

I thought Bob McMurrich was quite the gentleman last evening as he conceded the results. We on this side of the House rejoice with our friends of the third party in the election of Richard Allen. We look forward to our colleague joining us in the Legislature as we engage in the cut and thrust of debate.

**Mr. Bradley:** Guess who wishes he had run in Hamilton West now?

**Mr. Laughren:** We want to hear from Frank.

**Mr. Mackenzie:** We want the Treasurer.

**Mr. Speaker:** Order.

## VISITOR

**Mr. Speaker:** Before proceeding, I would ask all members of the Legislature to join with me in welcoming Sir Isaac Hyatili, Chief Justice of Trinidad and Tobago, who is in the Speaker's gallery.

[Applause]

## STATEMENTS BY THE MINISTRY

### JOB CREATION PROGRAM

**Hon. Mr. Pope:** Mr. Speaker, I would like to bring the House up to date on what my ministry is doing in the Bancroft area to help those workers facing layoffs as a result of the announced closure of Madawaska Mines. My ministry is working with Madawaska Mines to find alternative employment for the 390 workers who will be laid off at the end of this month.

Members may recall that I announced a new federal-provincial job creation program to assist unemployed workers in the Ontario mining industry in April. It was developed in conjunction with the Ontario Ministry of Labour to serve as a bridging measure, allowing companies to rehire skilled workers who are receiving unemployment insurance.

Under this program, I was able to take advantage of a section of the federal Unemployment Insurance Act to allow workers to receive 25 per cent more than their allowable benefits. In addition, my ministry, through the Board of Industrial Leadership and Development, will contribute \$60 per week plus 100 per cent of the sponsor's share of benefits such as Ontario health insurance plan, workmen's compensation and Canada pension plan.

**10:10 a.m.**

Under the special mining employment program, 13 projects are being prepared which will employ about 70 people in the Bancroft area. These projects will employ workers at rehabilitation activities instead of their usual work, which would increase the inventory of that company. Even more projects will be developed in the coming weeks.

Some of these short-term jobs are designed to provide work for professional staff from the mine, such as producing data series maps, duplicating mine plans and sections for my ministry, and cataloguing diamond drill cores.

Another of my ministry's initiatives is the accelerated forest improvement program. This program allows companies to rehire skilled workers who are receiving unemployment insurance. We have been negotiating many agreements throughout the province under this program and continue to welcome applications. Any applications we receive from the Bancroft area will receive immediate consideration. As I have mentioned, there are already 13 section 38 proposals ready to go.

In addition, we are negotiating with the federal Department of Employment and Immigration for two new federal-provincial employment programs. The fisheries enhancement program and the parks maintenance employment program are available to companies, municipalities, conservation authorities and other organizations that are able to hire workers receiving unemployment insurance. Proposals have already been reviewed under these programs and, again, any submissions we receive from the Bancroft area will receive immediate attention. A minimum of \$4 million will be provided through BILD for these programs. This program will be applied in the Bancroft area.

While these special employment programs are vital to ensure that there are skilled workers in Bancroft when the economy recovers, my ministry is also supporting some longer-term initiatives. For instance, BILD has agreed in principle to offer up to \$675,000 to Canada Talc Industries Ltd. of Madoc through my ministry's \$7.7-million small rural industrial mineral development program. Under this program, the Ontario government is offering to fund up to 25 per cent of approved capital costs of projects that expand Ontario's industrial minerals production and offer new jobs.

Canada Talc, which has been producing talc and dolomite products since 1896, plans to invest \$2.7 million. This will assure continued employment for its 23 workers and provide work for an additional 14 employees by the end of this year. Canada Talc also plans further expansion in the mid-1980s. Of course, the multiplier factor will mean an additional 45 jobs for that community.

Under the industrial mineral inventory program, we have identified two graphite deposits in the Bancroft area. We are discussing possibilities for the development of these deposits with the private sector.

We also plan to start construction of our drill core libraries in Bancroft and Tweed this year to create construction jobs. Originally, the libraries, another BILD initiative, were to have been built in 1984.

Another of our long-term projects involves the forestry sector. Through letters and advertisements, my ministry has invited potential investors to consider the possibility of a kraft pulp or reconstituted board mill in the Bancroft area. Such a mill would make use of one million surplus cords of mixed softwood and hardwood, which is more than the existing industry can use



on an annual basis. To date, I have received replies from two interested companies, and I am confident that I will be receiving more in the near future. We will accelerate our efforts to get this project under way. It could result in bush jobs for 400 people and mill jobs for another 150 people.

I might add that representatives from Madawaska Mines are endeavouring to find work for the Bancroft area employees. It is my understanding that Rio Algom Ltd., Hudson Bay Mining and Smelting Co. Ltd. and Nanisivik Mines Ltd. have offered employment to at least 70 underground miners in the Bancroft area.

The local chamber of commerce also will be involved in a project to develop a walkway along the York River.

As honourable members can see, it is not only my ministry that is trying to find employment for these workers. We are all working together, both the public and the private sector.

The Ministry of Natural Resources is not the only ministry helping out. The Ministry of Government Services has a number of construction projects, some beginning this month, which are expected to employ about 110 people for one year in Bancroft and the surrounding area.

The Ministry of Municipal Affairs and Housing is also doing everything it can to employ the workers on job creation programs that it has pending or ongoing in that area. In addition, officials from the plant closure and employment adjustment branch from the Ministry of Labour are working in Bancroft and the surrounding area to assist in finding employment for some of these workers. As such, they are part of the federal manpower adjustment committee, which has representatives from both labour and management. They are also participating in an employee counselling program that is being developed in conjunction with Madawaska Mines and Loyalist College in Belleville. The program is funded by the Ministry of Labour, delivered by the college and co-ordinated through the Ministry of Colleges and Universities. They will offer both career adjustments and job search components to assist employees in looking at training and career options.

As members can understand, we are doing everything possible to help put laid-off workers in the Bancroft area back on the job. I will bring the House up to date as we develop more programs to assist with these problems, not only in the Bancroft area but throughout the province.

## TOLL-FREE INFORMATION PROGRAM

**Hon. Mr. Wiseman:** Mr. Speaker, I would like to take this opportunity to share with the House a new undertaking by my ministry to provide the people of Ontario with an additional service in the area of government access. As I am sure most members of the House are aware, the government of Ontario has been providing toll-free service to all Ontarians for the past two years. At the request of the federal government, and in keeping with our continued effort to bring the government closer to the people, we have entered into a joint agreement to provide information access to federal programs for more than eight million citizens in the province.

The Ministry of Government Services staff will now respond to all general telephone inquiries throughout the province for both levels of government. Zenith Ontario, with the addition of Zenith Canada responsibilities—

**Mr. Philip:** On a point of order, Mr. Speaker: I have not received a copy of the statement. Perhaps it was sent around to my mail box. Could the minister tell us when it was sent?

**Hon. Mr. Wiseman:** It was my understanding that my critics had it. I am sure my executive assistant has heard that and will send it over right away.

Zenith Ontario, with the addition of Zenith Canada responsibilities, will now offer a more total information service to the people of the province. I know all members of this Legislature are devoted to offering the best possible service to the people they serve. It is my pleasure to inform them that my ministry has taken yet another step in that direction with this toll-free information program.

## ORAL QUESTIONS

### RETAIL SALES TAX

**Mr. Peterson:** Mr. Speaker, I have a question for the Treasurer. In view of the great confusion surrounding the implementation of the new Retail Sales Tax Act and a lot of its provisions as they apply to various purchases, particularly food, and in view of the fact the bill is now going to a committee for review of some of the substance as well as the technical provisions of that bill, would the Treasurer hold off its implementation until, say, July 12, or after that bill has received third reading by this House, so that it is definitely the law and we will have a month to work out all the complications that have been created?

**Hon. F. S. Miller:** Mr. Speaker, it is my understanding that most of the provisions are in force right now, and we would only add to the confusion by trying to make a retroactive cancellation.

**Mr. Peterson:** We would not add to the confusion because it is so confused now. We could clear up that confusion. That is the whole point of the question.

In the event changes are made in the Retail Sales Tax Act, which I expect will happen, what sort of compensation would the retailers and consumers get who have paid taxes it turns out are not going to be collected? If a tax is rescinded for an item, how would the retailer receive compensation, or how would the consumer receive compensation? There are a lot of technical problems here. How is that going to be dealt with?

**Hon. F. S. Miller:** These are questions I think should be directed to the Minister of Revenue (Mr. Ashe), because he deals with those technicalities. I deal with the principle of the act.

A good deal of the confusion is that which the opposition is trying to create.

**Mr. Foulds:** Mr. Speaker, can the Treasurer or the Minister of Revenue explain to us how anything could add to the confusion of the Minister of Revenue as displayed in this House yesterday?

**Hon. F. S. Miller:** Mr. Speaker, the member simply has to stand up and he does that.

10:20 a.m.

**Mr. Peterson:** As well as the technical problems I referred to, there has been a major change in philosophy through the Treasurer's budget.

In 1973, John White talked about taxing a variety of things and exempting them then, such as the flow of information and flowers and shrubs the Treasurer is now taxing. His quote of 1973 is particularly poignant: "I propose to eliminate the retail sales tax on the purchase of household pets. Personally, I find it abhorrent to put a tax on these lovable creatures which become in effect members of our families." Would the Treasurer consult with Mr. White? Perhaps Mr. White could move him to back off on some of these iniquitous taxes.

**Hon. F. S. Miller:** The Leader of the Opposition has made my point for me. First, he has pointed out that both flowers and pets were taxed in the past. Therefore, I have not made some sweeping, dramatic change. I have simply

reinstated a tax that was in place. Second, he has pointed out that the Treasurer—

**Mr. Speaker:** Order. I ask the cameraman in the Speaker's gallery to refrain from using that portable spotlight.

**Hon. F. S. Miller:** He was taking the spotlight off the leader of never-ever and putting it on you, Mr. Speaker.

Interjections.

**Hon. F. S. Miller:** "The Benches Would-Be" member is missing today too. She is getting ready to retire, I suppose.

From time to time, Treasurers of the past have made selective tax changes which in their opinion either met the requirements of the day or were simply expressions of their personal likes and dislikes at a particular time. Mr. White eloquently illustrated that in this budget. He also talked about his love of cut flowers.

**Mr. Foulds:** You will tax love next.

**Hon. F. S. Miller:** If I could, I would.

**Mr. Foulds:** You would if you could?

**Mr. T. P. Reid:** That's because you have never had to pay.

**Mr. Martel:** That's why they call you Grinch.

**Mr. Mackenzie:** Just because you are no longer capable.

**Mr. Speaker:** Order.

**Hon. F. S. Miller:** If the members want to see complicated regulations, get into that topic.

We are bringing back some things that even I had taken out, for example insulation and storm doors. One might quickly ask why I took it out three years ago and put it back in now. There was a point in our provincial life when, thanks to my colleague the Minister of Energy (Mr. Welch), we made a concerted drive along with federal grants which were in the main successful. While that dramatic use of insulation was at its peak, we took the tax off to achieve policy goals. As that demand changes, we alter the pattern.

Surely the member for London Centre, as a responsible Leader of the Opposition, would ask this government to change its points of view as times change.

**Mr. Peterson:** John White liked cut flowers and puppies. The Treasurer likes used car dealers. John White was the true aristocrat.

## HYDRO CONTRACTS

**Mr. Peterson:** Mr. Speaker, I have a question for the Minister of Energy, pursuing the ques-



tion my colleague the member for Grey-Bruce (Mr. Sargent) asked yesterday.

As the Minister of Energy, how does he justify paying above world price through Ontario Hydro to Denison Mines for certain uranium contracts when he is not prepared to pay it to Madawaska Mines to keep that community going? He is going outside Ontario to buy that uranium. How can the minister justify those two different positions? He is prepared to pay more than world price on the one hand but not on the other.

**Hon. Mr. Welch:** Mr. Speaker, the contracts to which the Leader of the Opposition makes reference were the subject of a thorough review by an all-party committee of this House. There was a formula arrangement with respect to that determination.

Interjections.

**Hon. Mr. Welch:** The point I am getting at is that it is all set out in the agreement with respect to how we would arrive at the price, taking into account costs of production and all the detail that is set out in the arrangement.

Hydro sent out for bids in December of last year for its requirements starting in 1985. Those bids have come in and Hydro has analysed them on the basis of the current market situation, which I assume the member, as an electricity customer, would want them to do. I remind him, as I reminded his colleague and our legislative colleague yesterday, Ontario Hydro at the moment is looking to Ontario sources for 85 per cent of its requirements until the end of the 1990s. When this particular contract falls into place, it will be two thirds Ontario and one third other Canadian sources.

**Mr. Peterson:** By current standards the government is still overpaying dramatically for that Denison uranium. The fact is, there was considerable disagreement in the committee as it reviewed that contract and we recommended that the minister not go ahead. It was this government that took the responsibility of going ahead, not us. The reality is we are losing a mine. At that time this minister suggested the possibility of implementing an excess profits tax in order to recoup any losses. Is he considering that now, in view of the dramatic increase in profits for Denison over the last couple of years, resulting exclusively from contracts that he signed?

**Hon. Mr. Welch:** No, Mr. Speaker.

**Mr. Foulds:** Mr. Speaker, could the Minister of Energy tell us why Ontario Hydro has become

so cost conscious when it comes to the Madawaska mine in the little town of Bancroft, since it was not so cost conscious when at the urging of this government it signed the contracts with Denison and Rio Algom, and is not now, when it comes to the escalating price of the nuclear installations themselves, such as at Darlington?

**Hon. Mr. Welch:** Mr. Speaker, I think it should be said right at the outset that Ontario Hydro is always cost conscious. One must analyse all the arrangements into which Hydro enters at the time that those negotiations are going on. Hindsight is always a great and interesting perspective.

**Mr. Foulds:** They wanted to buy it. Why didn't you let them?

**Hon. Mr. Welch:** I am saying to the member I am quite satisfied that Hydro, as it meets its responsibilities, is very cost conscious. As the member knows, each year when it submits its proposals for the next year's rates it has to submit all of that information to the Ontario Energy Board for public review.

**Mr. Peterson:** Would the minister not agree it is time to reconstitute the select committee on Ontario Hydro affairs to look into these uranium contracts and the Madawaska situation? Would that not assist him in some way to bring Hydro to heel in these matters to make sure that public policy is being actively reflected through that group? If we reconstitute that committee, we will help the minister deal with Hydro.

**Hon. Mr. Welch:** I really appreciate that offer. There have been two or three occasions this week in which the Leader of the Opposition has been kind enough to offer to assist the government. The government takes the responsibility of being the government and will be accountable and will face the jury, known as the electorate, at the appropriate time. Although I appreciate the spirit in which the offer is made, I am quite prepared to stand in my place each day and account, as is my responsibility, for the activities of Ontario Hydro.

#### TAX ON MEALS

**Mr. Foulds:** Mr. Speaker, I have a question for the Minister of Revenue, Ayatollah Ashe. I would like to ask the minister, will he now admit that when he tried the NDP quiz yesterday he was a total failure—as his government was shown to be last night in Hamilton West—and that he was wrong when he said the chicken which is barbecued and sliced at the favourite grocery store of the Minister of Health (Mr.

Grossman), Nortown Foods Ltd., was taxable and should be taxable? Can he tell me why Swiss Chalet chicken at \$2.95 is taxable and why chicken at \$4.03 at Nortown Foods Ltd., which is sliced and barbecued, is not taxable?

**Hon. Mr. Ashe:** Mr. Speaker, I hope the deputy leader is going to send over the samples afterwards so that I can have a lunch today that perhaps is appropriate.

**Mr. Martel:** You failed the quiz.

**Hon. Mr. Ashe:** As a matter of fact, I did the quiz yesterday for the benefit of the press outside, and I did very well, probably better than anybody else, including the ones over there.

10:30 a.m.

**Mr. Martel:** You missed out on the one question. You did well?

**Hon. Mr. Ashe:** No. Unlike the members of the third party, we in the government do not acknowledge that we know everything about everything. Those people think they do, but we do not.

**Mr. Martel:** You said the people should know the regulations; you didn't know them yourself.

**Hon. Mr. Ashe:** There is no doubt there is still some confusion, and I will use that word. Vis-à-vis the chicken, there is no doubt in my mind at all that a chicken that is barbecued, is a chicken that is barbecued, is a chicken that is barbecued.

**Mr. Foulds:** Right, like a Liberal is a Liberal is a Liberal.

**Hon. Mr. Ashe:** That is true. That is a very good analogy.

**Mr. Foulds:** Should the Liberal or the chicken be taxed?

**Hon. Mr. Ashe:** Both of them.

**Mr. Speaker:** Will the minister just address himself to the main question, please?

**Hon. Mr. Ashe:** Yes, Mr. Speaker. The issue is still being clarified, but there is no doubt in my mind that if one buys a barbecued chicken out of a machine, basically the same machine that is in one part of a Dominion store or, in this case, Nortown Foods Ltd.—I will be very honest too; yesterday, since a minister is unable to ask a question, I frankly did not know what kind of an establishment Nortown was. Obviously my conclusion was a little different after I found out what it was.

In any event, I would concur that a barbecued chicken from Nortown, a barbecued chicken

from Swiss Chalet or a barbecued chicken out of the snack bar of a Dominion store are all the same product and should carry the same line of tax if one looks at the commodity as such. There cannot be any disagreement with that conclusion.

What we are clarifying with the Ministry of Treasury and Economics is the intent; and keep in mind that it is our obligation in the Ministry of Revenue to take the intent of the Treasurer's budget and implement it. Apparently there may be some difference as to the intent, and in actual fact the determination of whether or not there is tax should be determined as to the main operation of that particular establishment.

When one is talking about food products of that nature, it is now our understanding that it was the intent of Treasury that if it is predominantly a grocery store it would not be taxable, but if it is predominantly a restaurant, a take-out food establishment or a snack bar, it would be taxable.

There is no doubt about their interpretation, using that example and in finding out now that Nortown Foods Ltd. is a grocery store, that one would not be taxable and the other one would be.

**Mr. Foulds:** If we had known the minister was coming for lunch, we would have bought a turkey instead of a chicken. We will let him have the tax-free portion.

Can the minister please stop this roundabout gobbledegook about the spirit and intent of the budget and tell us clearly, for example, whether he was accurately quoted in the *Globe and Mail* story where he said, "The solution is to tax prepared foods wherever they are bought"? Surely he should be going the other way and withdrawing the tax on prepared foods, such as frozen pizzas, frozen cakes or barbecued chicken, wherever they are bought—in grocery stores, delicatessens or take-out restaurants.

**Hon. Mr. Ashe:** As the honourable member knows, that question relates to a change of policy that would have to come from the Treasurer.

**Mr. Breithaupt:** Mr. Speaker, following the point that I raised yesterday with the minister concerning the bakery situation and the purchase of either a dozen items or one or two, or perhaps five, some of which might be taxable and some of which might not, is the minister now able to advise us whether he is going to clarify the circumstances in those kinds of purchases so that those persons expected to



collect taxes will know what their obligations are?

**Hon. Mr. Ashe:** Mr. Speaker, the interpretation that I just described vis-à-vis the business establishment rather than the commodity will apply. In other words, if somebody goes into a bake shop to take out, whether it is two, three, five, six or 12—

[Failure of sound system].

**Mr. T. P. Reid:** They're running the minister's answer backwards; it makes more sense that way.

**An hon. member:** It's a lie detector.

**Mr. Speaker:** Order.

**Hon. Mr. Ashe:** Mr. Speaker, I am not sure whether that was a turkey or the member for Hamilton Centre (Ms. Copps) slowed down. But back to the question—

[Failure of sound system].

**Mr. Speaker:** Will whoever is making that sound in the press gallery please—

[Failure of sound system].

[Later]

**Mr. Speaker:** Just before proceeding, I would like to withdraw the allegation I made earlier against the members of the press gallery.

**Mr. Martel:** The Minister of Revenue drove the machine crazy.

**Mr. Speaker:** Order. Apparently the sound system is on the fritz again.

**Hon. Mr. Ashe:** I will try again, Mr. Speaker. I do not think the system is working at all now, but I can project.

If one is going into a bakery shop, the numbers in question will not be the criterion. If it is a take-home type of item; whether one is buying two, five, six or 12, they will not be taxable. On the other hand, if one is buying it to sit there and eat it or if it is going to be buttered—whether it is one or two really is not the criterion—the fact that it is a consumed, prepared product means it will be taxable.

**Mr. Foulds:** A quote has been attributed to the minister in the Toronto Star which he has not denied so far. He is quoted as saying that when it came to taxing pizzas and their delivery, "However, if the delivery charge is incorporated in the price of purchase, it is taxable but too hard to figure out."

In view of that, will the minister now admit that there is such confusion in his own mind and in the minds of his officials that he will suspend the implementation of that tax until the public

hearings have been completed in this Legislature, until the legislation itself is passed and until those guys in the Ministry of Revenue have enough time, two months after the budget, to get their act together and to have the regulations clearly spelled out and clearly defined so the people collecting the tax know what it is they have to do?

**Hon. Mr. Ashe:** Before answering the final part of the question, some clarification of the initial example is in order. The question actually pertained to the delivery charge per se. I think my answer was quite reasonable, although it may not have been portrayed exactly in that way.

Quite often in the case of take-out food there is a posted price, which is how much it is if they deliver it; if one picks it up, it is something cheaper. Presumably the difference is "a delivery charge," but they handle it the other way around. What I said was that there is no way we are going to try to break out that delivery portion and put a tax on it, although strictly speaking it is taxable; we are not going to bother with that kind of situation at all.

Similarly, some unclarity came about in one report I heard on the radio this morning which suggested that where a pizza is bought at a food market and it is put in their basket, it is tax-free—I do not think that was in dispute—but that if the whole order is delivered, the whole order is taxable. That was the impression that was given but, of course, that is definitely not the case. Frankly, how anybody could arrive at that conclusion, I do not know. It is definitely not the case.

**10:40 a.m.**

As to whether we will be postponing implementation of the amendments to the Retail Sales Tax Act, no, we will not. I suggest to the member that most retailers and consumers in the marketplace have no confusion about taxable items in 99.9 per cent of the areas, albeit there is still a little confusion in a very narrow sector and that will be clarified.

As I have indicated publicly through the press, and I guess indirectly in here, in those areas where there may still be some confusion we are not going to be difficult with the vendor. As I have indicated in the past, we want to work with him. There will not be repercussions for him if he does or does not collect the tax.

In terms of the vendor protecting himself, if he does collect the tax, he does have an obligation to remit the tax. In other words, he

cannot later make a determination that something was not taxable and, therefore, he should not have taxed that and keep it as an extra profit. He definitely has to remit it in his normal tax remittance to the government.

#### EMPLOYEE HEALTH AND SAFETY

**Mr. Martel:** Mr. Speaker, I have a question for the Minister of Labour. Is the minister aware of the asbestos problems at Surrey Place, which is a treatment centre for emotionally disturbed children in Toronto?

In particular, is he aware that when his ministry's tests showed 50 to 75 per cent chrysotile asbestos was present in insulation material and workers began ripping this insulation out on May 24, not only the workers who were taking the material out but also those people such as caretakers who had to clean it up nightly were doing so without protective equipment?

Is he also aware that seven children went back to their residence on the second floor each night, where some of this material was lying around on the floor and in the area, and they were exposed to it?

**Hon. Mr. Ramsay:** Mr. Speaker, I am familiar with the original intention to correct the situation in that institution. I am not aware of the cleanup procedures the honourable member is describing.

**Mr. Martel:** Will the minister agree with me that some immediate action is necessary in there, since it was only yesterday that he reported to us that the staff and children are still working and playing in the area where the asbestos material and dust was present? I show the minister this doll which one child was playing with yesterday; it is covered with asbestos. Is there not something sadly amiss in Ontario when that can still occur when we know the results that are caused from exposure to asbestos?

**Hon. Mr. Ramsay:** The member opposite is bringing forward a very serious matter, and I agree with the comments he is making.

The orders were given to clean up the situation, to straighten it out. I really do not think it should be the responsibility of the government to put an inspector right in there each and every day to make sure the construction workers are cleaning up at the end of every day. I would like to think it would be the responsibility of the institution to make sure that is being done properly.

**Mr. Martel:** The minister makes the point that they were ordered to clean up. I will also show the minister the face mask used by the workers who were cleaning up. It is not a respirator, nor is it a double-gauged face mask or anything like that to protect people from inhalation. It is a little mask that someone might use when out catching butterflies or something like that.

Is the minister aware that even now, as of yesterday, they were still not bagging the material properly, that the dust masks being used were this type of mask, which is nothing that would pass any regulation, and that the workers were not provided with impermeable clothing?

I guess I want to ask the final question because this is the third instance on asbestos I have brought up in the past couple of weeks. When the hell are we going to get serious about cleaning this up in this province? If we have to lay a few charges, let us lay a few charges so the people who do this will stop and will know that this ministry means there will be no more exposure to asbestos.

**Hon. Mr. Ramsay:** I realize this is not a direct answer to the member's question, but the interim regulation on asbestos promised by my predecessor, now the Minister of Consumer and Commercial Relations (Mr. Elgie), is close to completion after going through the necessary procedural steps. We hope to have that in place within a few weeks. Once that is in place, I think we will have a better opportunity to monitor the situations the member is bringing forward to us.

#### ONTARIO DEVELOPMENT CORP.

**Mr. Riddell:** Mr. Speaker, if you are having trouble with the sound system you do not need to worry about it for this question. As I listened to the questions about the chickens and Nortown Foods, my mind mischievously conjured up an analogy notwithstanding its appropriateness: Bob Rae and the Hamilton West riding.

**Mr. Speaker:** Now, do you have a question?

**Mr. Riddell:** Mr. Speaker, I have a question for the Minister of Industry and Trade. Since it was more than a week ago that I drew the minister's attention to the closing of an industry in the Huron Industrial Park, a park owned by the Ontario Development Corp., I had expected the minister might have made a statement this week. However, having pursued the matter on a more personal basis with the minister, I would now like to ask him whether he has had a chance to check into the employees' allegation that the



Hughes Boat Works Inc. could have received a cheque for a large boat it sold and could have met the payroll, but the company decided not to receive that cheque.

Can the minister also enlighten us as to the allegations of the employees that deductions had been made for some time from their paycheques for the Ontario health insurance plan, unemployment insurance, the Canada pension plan, long-term disability with a mutual life insurance company and bonds but that these deductions were never remitted? Can the minister please indicate whether these allegations are well-founded?

**Hon. Mr. Walker:** Mr. Speaker, I do not know whether that was a chicken or a turkey referred to in the other party a moment ago. I would like to clear up that matter.

The honourable member has raised the question about whether a statement would be forthcoming—

**Mr. Foulds:** The last statement, about nine jobs, was not so hot.

**Hon. Mr. Walker:** They are important. Most people think those are very important. Many people would have seen the value of that.

I had intended on Tuesday to answer a question on the matter and had sent a note to the Speaker, but the time expired before I had a chance. In fact, the Speaker has a note in his hand this very minute that relates to a question I am prepared to answer. I do have some information for the member.

The member raised the matter about a week ago as it related to the Hughes Boat Works Inc. at Centralia, a company that has subsequently had a receiver brought in. The question raised at the time was whether the Ontario Development Corp. had forced the company into receivership, to which the answer, of course, is no.

The member knows well, because of our personal conversations, that the company itself requested a receiver be appointed. It was the company that contacted the bank and the Ontario Development Corp. to ask that a receiver be appointed to stabilize its situation. The bank invited in a receiver and refused to meet the obligation. The bank basically called the loan; so, to the extent that there is any direct responsibility, it would be attributable to the bank, which does answer the allegation by the member last week.

**10:50 a.m.**

A second allegation that was made related to the matter of whether the receiver appointed

was somewhat too close to the situation, having apparently worked with the company at some earlier time. We have investigated that matter and we have been able to determine that the receiver, Yale and Partners, apparently had been an employee of the company, but it was well beyond the two-year limit that is required under the Bankruptcy Act. The Bankruptcy Act would step in in a case like that and permit the company to be added on; so there would be no apparent conflict. There may be other conflicts—I am not saying that; all I am saying is that it is beyond the question of the two-year bankruptcy rule.

As to the matter of the special cheque that apparently had been given, it was indeed thought that it was this particular 40-foot boat, which cost \$105,000, that had plunged it into bankruptcy. It would appear that the cheque had not been received. We have not got a final verification, because of course we are not privy to every single book that is there, but our information is that there is no foundation for the allegation that the cheque had been received and not properly applied.

That is the information we have at the moment. We are still checking out other matters the member raised in a letter he handed to me on Tuesday of this week.

**Mr. Riddell:** Since a majority of the employees who worked at Hughes Boat Works also rent houses in Huron Park, again a park that is owned by the Ontario Development Corp., could some kind of arrangement be made whereby rent might be waived on those homes until the employees either find other jobs or start receiving unemployment insurance, or, indeed, go back to work for the company, since I understand there are one or two other companies that may be interested in buying it from the receiver?

Will the minister see that concessions are given to those employees so they will not be forced out of their homes at Huron Park because they do not have a paycheque to pay their rent?

**Hon. Mr. Walker:** I think it is reasonable to say that under any kind of tenancy we might have with them it is highly unlikely that there would be any immediate removal of tenants for nonpayment of rent. There would come a point where the matter would have to be sorted out, and I can assure the member that we will look at every contingency in the matter.

I think he will find that the development corporation is very humane in dealing with people in these matters. Of course, they have to

protect the ultimate shareholder, that shareholder being the public of Ontario; so we have a certain responsibility there that has to be acknowledged. On the other hand, we recognize some of the difficulties existing in this peculiar case.

#### EMPLOYEE HEALTH AND SAFETY

**Mr. Mackenzie:** Mr. Speaker, I have a question of the Minister of Labour. Is the minister aware of the rather profound implications of the ruling of Judge Nosanchuk in Essex county provincial court on June 11 concerning worker exposure to asbestos, where he clearly stated that the Health and Safety Act is no protection for workers without the establishment of regulations?

Did the minister's staff bring to his attention the judge's conclusion, which stated clearly, "Hopefully, in the not-too-distant future there will be rules and regulations enacted in the province of Ontario setting out standards"? The judge was dealing specifically with asbestos in that case, but can the minister tell us where we stand with coke oven emission control standards?

**Hon. Mr. Ramsay:** Mr. Speaker, to respond to the last part of the question first: As far as coke oven emissions are concerned, standards are in the final stage of the procedures and were studied by the Advisory Committee on Occupational Health and Occupational Safety just a week and a half ago. We are expecting the report back in our office at any moment. In fact, we had thought it might be there yesterday; it may be there today. Once it is back in our office, a regulation will be prepared and sent to the regulation committee. Following that it will go to cabinet. In other words, I think we are extremely close to having a regulation on coke oven emissions.

With respect to the regulation on asbestos, I believe I answered that in my response to the earlier question from the member for Sudbury East (Mr. Martel) when I said that my predecessor had promised an interim regulation and that he would not wait until the Royal Commission on Health and Safety Arising from the Use of Asbestos in Ontario submitted its final report. In that respect, I am very optimistic that we will have an interim regulation for asbestos, again within the next number of weeks, certainly before the fall.

If I could respond to the first portion of the member's question as to the decision of the courts, I would like to make this observation: In

dismissing the charges against the board of education and one of the board's supervisors, the provincial court did not conclude that the Occupational Health and Safety Act affords no protection to workers handling hazardous substances as is suggested in the communiqué of June 16. The communiqué I am referring to is the press release put out by the leader of the third party, Mr. Rae.

The court found that the prosecution had failed to prove beyond a reasonable doubt that the worker had been exposed to any actual or potential health hazard. The court did observe, and I think this is where the confusion comes in, the fact that the regulation dealing with asbestos and its handling was still not finalized in such a way that it would provide a proper basis upon which a court might determine whether an offence was being committed. However, the court did not hold that a violation of the act could not be established in the absence of such a regulation.

**Mr. Mackenzie:** Surely the minister is playing games with this House. All along, our problem has been the lack of regulations. Why should we accept this "It is in the process" answer again?

I have in front of me a letter dated February 4, 1977, from the then minister, the member for York Mills (Miss Stephenson), telling us that the standards for coke oven emissions was imminent. I have a letter from the Premier (Mr. Davis) to Local 1005, dated May 1979, telling us that the coke oven emission standards were imminent. It is now 1982 and the Minister of Labour is telling us that it still has not come back for the final round in cabinet and its gazetting.

Surely to goodness the minister can tell us that we have played with this long enough, for otherwise he is really lying to the workers of Ontario, and that we will have it before this session is up this June.

**Hon. Mr. Ramsay:** In response to the suggestion that we will have it before this session is up, I am hopeful of that. I held a meeting in that respect before coming to the House today. I am hopeful, but I do not want to give the member an absolute commitment.

**Mr. Mackenzie:** The minister has given us too many promises over too many years.

**Mr. Speaker:** Order.

**Hon. Mr. Ramsay:** I can only speak for the promises that I have made. The promise I am making this morning, the commitment I am personally making this morning, is that the coke oven emission standards will be with us extremely



shortly, and the asbestos interim regulation will be a very short while past that. I am hopeful that the standards for coke oven emissions will be here before this House adjourns.

A few minutes ago I found out that we are not adjourning until July 9; therefore, I am more optimistic than I was yesterday that we can meet that obligation.

I am just as concerned and as interested in the coke oven emissions as is the member for Hamilton East. I also have a steel mill in my constituency.

If I could respond further to the question that was asked of me, I know the member knows this backwards, and probably knows it much better than I do, but if he will look at pages 13 and 14 of the Occupational Health and Safety Act, sections 12 and 14, and if he will refer to page 109, section 145, those will answer the first part of the question he put forward to me in his supplementary today.

#### CHEMICAL SPILL

**Mr. Ruprecht:** Mr. Speaker, in the absence of the Minister of the Environment (Mr. Norton), I am going to ask the Deputy Premier about the chemical spill that happened this morning in the Junction triangle area. I wish to register my strong disappointment in this government's inability to cope with these continuing spills.

Here is my question: Given the similarity of this spill to the one that occurred on April 6, 1982, from the Nacan Products Ltd. plant, when will the minister take action to ensure that this type of incident will not occur in the future?

11 a.m.

**Hon. Mr. Welch:** Mr. Speaker, obviously I cannot provide that information, but I will draw the question to the attention of the Minister of the Environment (Mr. Norton). It seems to me I heard some reports on the news this morning that investigations were under way to try to determine the source of this difficulty. They were doing some flushing out of sewers and that sort of thing. I am only echoing reports I am sure the honourable member himself heard on the news this morning. However, knowing his concern—and obviously it is one that will be shared by the Minister of the Environment—I will draw this to the minister's attention. No doubt, he will be able to respond to it on Monday.

**Mr. Ruprecht:** May I suggest that investigations are no longer good enough. The Deputy Premier must realize that the spills bill received

third reading in December 1979. We contend that if this bill had been proclaimed, this type of incident would never have occurred. While this government is fooling around with people's lives in a way, because people have been hospitalized, this situation continues to occur.

**Mr. Speaker:** Supplementary, please.

**Mr. Ruprecht:** The question is simple: When will the government introduce those sections that provide teeth in the spills bill that received third reading in December 1979?

**Hon. Mr. Welch:** I will include that in my reference to the minister. However, I do not feel that anyone would take seriously the idea that the member has a monopoly on concern. I am sure this concern is shared by us all. I will refer his question to the Minister of the Environment.

#### CHARGES AGAINST JUDGES

**Mr. Renwick:** Mr. Speaker, my question is for the Attorney General who, I believe, is within the sound of my voice. My question relates to the miscarriage of justice in the case of the three justices of the peace, Howard Wax, Robert Hirtle, and Herbert Spong, and the settlement by way of compensation of \$417,000 relating to that matter. The minister will recall that in 1977, these men were charged with conspiracy to obstruct justice by fixing traffic tickets, and a series of court proceedings, including preferred indictments by the Attorney General, were made against the three men. Two of the cases resulted in direct acquittals, and in the third case a stay of proceedings took place.

What went wrong in that case, and why is the minister not reporting to this assembly an exhaustive statement of the course of that investigation, which led to this serious miscarriage?

**Hon. Mr. McMurtry:** Mr. Speaker, these cases were processed in a very responsible fashion. I believe the trials resulted in the way the member for Riverdale has stated. I was outside the House when he started to ask his question. The main problem area is that these people were suspended without pay. If my memory serves me correctly, the decision to suspend them without pay was something that involved the Justices of the Peace Review Council. In any event, given the fact these three people were acquitted, we have been negotiating a settlement with the lawyers representing the three JPs.

It is my understanding that a satisfactory settlement has been arrived at. In view of the

relevant legislation that gives us authority to pay for such a settlement, their lawyers were instructed to issue a writ, in effect, after the settlement, in order that it might be completed. I gather that two of the settlements have been concluded. I am told the third settlement has been held up. I read some press reports in relation to that, but as far as I know, our law officers still expect a settlement to be concluded.

**Mr. Renwick:** An injustice was caused to all three of those justices of the peace because of their suspension without pay from the performance of their duties over a long period of time. What is the obstacle which has led to the delay, and why will the Attorney General not recommend the reinstatement of the three men to their positions?

**Hon. Mr. McMurtry:** I am not prepared to discuss all of the details of the matter at this time, particularly as it would appear there are still some negotiations with respect to the settlement of the third claim.

I think one of the unfortunate aspects of this matter was the long delay prior to trial, most of which resulted from requests for adjournment by defence counsels. As a result the matter was unfortunately and I think unnecessarily protracted over a long period of time. I do not accept the member's statement that an injustice has been perpetrated.

**Mr. Breithaupt:** Mr. Speaker, since we have had the precedent of circumstances whereby certain judges have been suspended with pay, would the Attorney General not agree that some more consistent policy should be developed so that suspension with pay becomes the expected rule, and therefore settlements may not be unfairly forced in the circumstances where persons are reduced almost to welfare, really, and therefore may have to accept a settlement which might not otherwise meet the case?

Does the Attorney General not agree that we are treating various administrative officials differently and that there should be a consistent policy so that whether there is delay because of the crown, the defence or whatever, it does not unfairly affect the ongoing obligations and lifestyle requirements of the person who is under review or under charge?

**Hon. Mr. McMurtry:** Mr. Speaker, I agree that it would be the best of all possible worlds and highly desirable to have a totally consistent policy. We have been wrestling with this problem for some time. The facts are that the

circumstances surrounding individual cases with respect to suspension, when criminal charges are laid, vary dramatically.

In some cases—and I am not saying, necessarily, in this particular case, given the fact of the acquittal—there is conduct that makes it difficult for the people who make these recommendations to recommend that the pay be continued, often when we know there is going to be a very long delay between arrest and trial.

I am simply saying that the circumstances vary so dramatically it is difficult to have a consistent policy to treat each case in the same way, because no two cases are the same. I certainly agree with the thrust of the member's question inasmuch as this is a difficult issue and the type of problem in which one would like to have some consistent policy that would apply automatically to every case. I just do not know that it is possible.

**Mr. Speaker:** I would ask the co-operation of all honourable members to please limit their personal conversations.

#### TVONTARIO

**Mr. O'Neil:** Mr. Speaker, I have a question of the Minister of Citizenship and Culture concerning TVOntario.

As far back as 1980 I raised with the then Minister of Culture and Recreation the matter of the extension of the TVOntario network to eastern Ontario. At that time we were told that the government remains committed to the principle of extending TVOntario's coverage to all residents of the province. He also stated that he recognized these important areas remain unserved.

There are now transmitters in Windsor, Chatham, London and Kitchener, and last year it was announced that new transmitters were being located in North Bay, Timmins and Owen Sound. Why, therefore, has the ministry not built one transmitter in all of eastern Ontario so that our part of the province can be served by TVOntario?

11:10 a.m.

**Hon. Mr. McCaffrey:** Mr. Speaker, the commitment to extend TVOntario to those parts of the province that do not now have it is still ongoing. Just in the last week or two, a commitment has been made for eastern Ontario. There is a commitment for a tower at Harwood, Ontario. That is close to the member's area, although it will not service all of it. That will leave at least two major parts of the province



still to be reached after the Harwood installation.

**Mr. O'Neil:** Could the minister tell us when this project in Harwood is planned to begin? Could he also tell us where the other two towers will be located and how soon they will be started?

**Hon. Mr. McCaffrey:** In the first instance, it will be in the fall of 1983. I cannot give details on the others now, but I will endeavour to get that to the member in writing by next week.

**Mr. Cassidy:** Mr. Speaker, could the minister explain the link between the extension of TVOntario service and the begging letters TVOntario has been sending to people across the province? It has become the first government agency to raise funds by public subscription. Is the minister saying that he will only extend service to the rest of the province dependent on the results of that begging? Why can he not ensure that service will be provided to people as a matter of right and not just depending on whether they contribute to the appeal?

**Hon. Mr. McCaffrey:** Mr. Speaker, it is incorrect to say that TVOntario is the only agency of the government to undertake such a private fund-raising campaign. In fact, it is one of the last to undertake one. We encouraged them to do so and I think their campaign is a classic, professional and very well-conducted effort to raise funds through sources other than the Legislature and taxpayers.

There is no relationship whatsoever between their fund-raising efforts, which we support, and extension of the service. They are not related.

#### COMPENSATION FOR UFFI HOME OWNERS

**Mr. Swart:** Mr. Speaker, my question is to the Minister of Revenue, who in an unparalleled fashion has fouled up the property tax credit and the assessment on homes with urea formaldehyde foam insulation, and now is working on the sales tax. However, my question concerns UFFI.

Now that the minister has the decision of at least five assessment review courts which have reduced assessment on houses with UFFI from between 45 and 75 per cent, what deductions is he going to make in this year's assessment of all UFFI homes for next year's taxes?

**Hon. Mr. Ashe:** Mr. Speaker, as I have indicated in previous discussions on this issue, we will be looking at all the decisions of the

assessment review court vis-à-vis applications for reduction because of urea formaldehyde foam insulation.

Although there have been a few decisions brought down in some areas of the province, so far it is a relatively insignificant part of the total. Because there is no pressure of time in terms of the return of the roll in 1982 for 1983 taxation, we will continue to follow the results and decisions of the court. We will examine them in detail when there are more of them and make a decision accordingly vis-à-vis the 1982 assessments for 1983 taxation. However, at this time no final decisions have been made.

**Mr. Swart:** Would the minister give a commitment to the House at this time that he will reduce that assessment relative to the average reductions given by the assessment review court? Now that these decisions have been made to give a substantial reduction, will the minister reconsider and apply it to this year's taxes and assessment for all UFFI homes in this province and not just the 20 or 25 per cent that appealed?

**Hon. Mr. Ashe:** No, Mr. Speaker. As the honourable member should know if he does not, in actual fact we have no authority to change the roll after it has been returned. The only way a roll can be changed is by a decision of the appeal process through the assessment review court, by county courts and by the Ontario Municipal Board. If the honourable member does not know the legislation, I would be happy to sit him down with our legal people or even personally and give him a bit of an education on the issue.

Also, as the honourable member knows because of his background, there is a recourse to property owners who feel they have suffered injustice vis-à-vis their tax bill and that there is an incorrect assessment. That is a broad statement that can be made. They can appeal through the Municipal Act to their local council for some consideration and a reduction or a rebate in the taxes already paid in the current year. They can do that up until the end of February in the succeeding year. That is open to them. That is the only recourse they will have for 1982 taxes.

**Mr. Boudria:** Mr. Speaker, surely the minister knows that I have proposed in this Legislature, Bill 102, An Act to amend the Assessment Act, the effect of which would be to do exactly what the member for Welland-Thorold (Mr. Swart) asked him in the previous question.

When enacting any legislation that could resolve the problem of the owners of urea formaldehyde foam insulated homes, would the

minister consider making such legislation retroactive to December 18, 1980? Presumably that is the date at which the value of those homes fell with the banning of urea formaldehyde foam insulation.

**Hon. Mr. Ashe:** No, Mr. Speaker. That would not be appropriate. The only circumstances in which we would consider that at all is, if the agency responsible for the problem we are now in, namely, the federal government, would come forth with the funds that could be paid back to the municipalities and the school boards to offset the revenues they would lose.

#### FRUIT AND VEGETABLE PROGRAMS

**Mr. McGuigan:** Mr. Speaker, in the absence of the Minister of Agriculture and Food, I will ask my question of the Deputy Premier. I will just preface it by pointing out that the Premier and the Deputy Premier have been very supportive of the Ontario Fruit and Vegetable Growers' Association. The Deputy Premier attended the Heritage Night dinner last fall, as I recall.

Tomorrow night, the 1982 Summer Salad kickoff dinner is to take place here in Toronto. That is a promotion sponsored by the Fresh for Flavour Foundation that is supported by the Ontario Fruit and Vegetable Growers' Association, the Toronto Wholesale Fruit and Produce Merchants' Association and the Canadian Horticultural Council. It has been responsible for the raising of the consumption of nutritious fresh fruits and vegetables to a higher level than that in the United States, for example. Why does the government not assist this promotion? It is a promotion rather than an advertising program such as exists presently under Foodland Ontario. Why does the government not support that promotion effort and support the production and consumption of fresh fruits and vegetables in this province?

**Hon. Mr. Welch:** Mr. Speaker, I should have thought it was obvious that the government, through the Ministry of Agriculture and Food and to some extent through the Ministry of Industry and Trade, is very supportive of many of these initiatives.

In fact, was it not just last year that, at Ontario Place, we had this Summer Salad festival opening? I remember being there on a Sunday afternoon and it was a very successful function. It was my understanding that we did have some involvement with respect to that promotional scheme. Whatever the facts are, I will have the

Minister of Agriculture and Food underline that.

In the meantime, certainly I agree with the member that we should, with a great deal of pride, promote the interests of the whole agriculture and food industry of this province, particularly at times such as these. No doubt the member will recall the various initiatives with which he, too, has been associated in that regard. I cannot document now the extent of such involvement and support, but I will certainly have the Minister of Agriculture and Food report back to the House.

11:20 a.m.

#### PETITION

##### TAX ON CLOTHING REPAIRS

**Mr. Swart:** Mr. Speaker, I wish to table a petition that has been given me by Nick's Cleaners and Tailors, of Welland. It is signed by 476 people. It says that they protest the expansion of the Ontario provincial sales tax to charges for repairs on alterations to clothing by dry cleaners and launderers. It urges the Honourable Mr. F. S. Miller, Treasurer of Ontario, to withdraw this application of his May 13, 1982 budget since it is unfair, inequitable, inflationary and an added hardship, especially on the elderly, the unemployed and the working poor.

#### REPORT

##### STANDING COMMITTEE ON JUSTICE

Mr. Treleaven from the standing committee on administration of justice reported the following resolution:

That supply in the following amount and to defray the expenses of the justice policy be granted to Her Majesty for the fiscal year ending March 31, 1983:

Justice policy program, \$858,100.

#### MOTION

##### BUSINESS OF THE HOUSE

Hon. Mr. Gregory moved that notwithstanding any previous order, the House will meet in the chamber until the summer adjournment on Wednesdays at 2 p.m. and on Thursdays at 10 a.m. until 1 p.m. with routine proceedings at 2 p.m.

Motion agreed to.

#### ORDERS OF THE DAY

House in committee of the whole.



## CHILDREN'S LAW REFORM AMENDMENT ACT

Consideration of Bill 125, An Act to amend the Children's Law Reform Act.

On section 1:

**Mr. Chairman:** We are dealing with Bill 125 in committee of the whole House. I presume that the Attorney General (Mr. McMurtry) has already made an opening statement so we will go into the sections. If there are any amendments you will speak up at the appropriate time.

Does anyone have any comments about any section?

**Mr. Haggerty:** Mr. Chairman, I want to address myself to the custody and access order—

**Mr. Chairman:** What section is that, right at the start?

**Mr. Haggerty:** Yes, right at the start.

**Mr. Chairman:** Does the member for Ottawa Centre just have a general comment?

**Mr. Cassidy:** Mr. Chairman, if you could work by the numbers of the changed parts rather than the sections of the bill, it would be simpler, since it starts at 18 and goes on to 20 and 21. I have an amendment to subsection 20(1) and subsection 20(2) that I wish to introduce in this House.

**Mr. Chairman:** That is a good point. It has cleared my mind. Subsection 20(1) and subsection 20(2) are on page two. We will commence the way you suggested, which does seem reasonable, beginning with section 18 of the act.

**Mr. Haggerty:** Mr. Chairman, I want to address myself to the bill, which is a good bill. I recall that my former colleague in the House, the former member for St. George, Margaret Campbell, was always an advocate for children's rights and protection in Ontario. She had requested, before the original bill was passed, that the matter of the civil rights aspects of international child abduction should be looked into. At that time she wanted it to be included in the original bill, and we are glad it is here today. If I interpret the bill correctly, it deals with international applications under custody and access orders.

Not very long ago, I was amazed when I had an inquiry from one of my constituents concerning the abduction of his children in the Niagara region. It was the father who had written. I believe he also sent a copy of the letter to the Attorney General of Ontario. I do not know if the inquiry has ever been responded to, but after going through the detailed file I find that

there has been a disregard of the civil rights of the parent of the children in question, a father and children who encountered a recent traumatic experience and a travesty of justice in Ontario.

The decision of the county court judge permitted the courts through a court order to operate in a totalitarian fashion, remote from the family and insensitive to individual justice. The rights of the father and children have been infringed, and to drive home a point, I would like to quote some of this letter to members:

"To whom it may concern, without prejudice:

"It is out of a sense of injustice and feelings of anguish that I call this matter to your attention. The basic facts are:

"My wife was critically injured in an automobile accident near Morgan's Point at about 8:30 p.m. on the evening of Sunday, January 24, 1982. I, the driver, and my two small children, who occupied the rear seat, were uninjured. Under the circumstances my children resided from the time of the accident with my wife's mother"—I will not give you the name; perhaps I will send this over to the Attorney General—"and her stepfather, of RR 2, Port Colborne, Ontario.

"My wife died of her injuries on Tuesday, January 26, 1982, in Hamilton General Hospital. Funeral services were held in Fenwick on Friday, January 29, with burial at Zion Cemetery, Wainfleet, Ontario, early that afternoon.

"That Friday afternoon, in the company of Mr. Owen Simmonds, Mr. Ron Simmonds and Father Leroy Lee"—who is a member of the Catholic Church in Welland, I believe—"I was denied possession of my children at the [grandparents'] home. I was informed by the [grandparents] that they were taking legal action to gain custody of the children and that Mr. Taliano, their lawyer of St. Catharines, had a court order to that effect. I left peaceably and contacted my lawyer, Mr. Houghton, and the Port Colborne detachment of Niagara Regional Police, who said there was nothing they could do to regain the children in view of the court order.

"On the morning of Saturday, January 30, I returned to Port Colborne police station and took the matter up with the officers on duty. In my mind, either the court order or my children had to be produced. At my insistence a number of phone calls were made, in the course of which Mr. Taliano"—the lawyer for the grandparents—"stated that he did not possess a signed court order.

"Following this a warrant was then issued for the arrest of the [grandparents] on the charge of

abduction. The [grandparents] were arrested and taken to the station. The children were turned over to me at 4:30 p.m., and we drove to the home of my parents, Mr. and Mrs. Harry Simmonds, [of] Maple Avenue, Fenwick, where I had resided since the accident.

"Later that Saturday evening, at 10:55 p.m., the police arrived at my parents' home with a court order now signed by Judge Griffiths of Niagara Falls. In this manner and at this hour, two small and sleeping children were removed from a bereaved father and caring grandparents and transported again to the [grandparents] in Port Colborne. In a late-night telephone conversation my lawyer advised that nothing could be done until Monday.

"On Saturday, January 30, the grandparents had sworn out an affidavit before Mr. Taliano and, even allowing for emotional states, it contained many untruths detrimental to my character and to that of my parents. Yet their statement was accepted; it was the basis of the court order. Should not their statement have been checked into at the time of swearing?

"On this basis Judge Griffiths had issued a court order on Saturday, January 30. But if it is the duty of a judge to judge, then should not my side have been adjudged? Surely more and very convincing evidence was required before (a) removing two small children late at night from a recently bereaved father—the children are two little girls, five years old and two years old; (b) acting in favour of the [grandparents] against whom there was a charge of abduction.

"For example the Port Colborne detachment could have provided information as to the state, attitude and conduct of the grandparents.

"To undo what had been done put me through unnecessary additional days of anguish before my children were returned on Tuesday evening, February 2. Before noon on that day, the [grandparents] through their lawyer, agreed to a settlement minutes before we had an appointment to meet with a Justice of the Supreme Court of Ontario in St. Catharines. To undo what had been done put me to an unnecessary legal expense of over \$2,200, (reduced voluntarily from the tariff: \$3,200).

"In view of this, it must be asked whether every possible step was taken. Was due process followed fully?

"While aspects of this matter are still in the hands of my lawyer, it is on my own behalf as a citizen that I draw this matter to your attention. Given the human wreckage done in this matter, I sincerely request that the procedure of Mr.

Taliano and Judge Griffiths be assessed and an explanation made.

"Yours truly, Mark E. Simmonds.

"P.S. I am attaching a copy of my lawyer's account because it presents a detailed chronological outline of the events referred to in this letter."

**11:30 a.m.**

A copy of this letter was sent to the Attorney General of Ontario, the bar association for Lincoln and Welland county and the Law Society of Upper Canada.

One can see the difficulties this parent had in obtaining his own children. I have gone through the files in detail and I feel there has been an injustice done to the parent of these two children by the court action of a judge who, without questioning the other side and looking into it in detail, provided a court order for the seizure of the two children from the father.

I suggest if this is the type of justice that prevails in Ontario, it is time we took a hard look in the direction of the new Family Law Reform Act and the bill that is before us today.

It is a good piece of legislation. I think it will provide grounds in Ontario that relate to children born in another country or parents who have separated and one of the spouses has moved to another country. It is a good piece of legislation and I support it.

I draw to the Attorney General's attention that difficulties remain. I suggest perhaps he should take a good look at this case. I will send the information over to him; it is the only copy I have. I would like to have a detailed explanation as to why an occurrence of this nature happened, to give some assistance to the aggrieved father and the children. Under the circumstances of the tragedy of the mother's death and then to have to endure the seizure of his children, I question the judgement of the courts in taking the action that took place in the Niagara south jurisdiction.

I suggest we must have justice on both sides and that the parents from both sides should have been taken into consideration in the question. I think of the damage done to the family and what could happen to other families in Ontario. The legal parents could lose their children because there may be some difficulties or misunderstanding with grandparents on either side of the family. I can see the difficulties one can encounter when we leave ourselves open to this type of a decision of a county court judge that could have very serious, damaging effects upon the family itself.



I hope a case like this, if it is the way I interpret it, does not happen again in Ontario. If it leaves that discretion to the judge, if it leaves him with that much power, then I question whether he should have that much power without having a prehearing before he sends out police at all hours of the night to seize two little children from the parent.

I suggest it is a problem. There is no doubt about it, I would not want to see it happen again that some family disagreement should provide this type of tragic opportunity for seizing children at any hour of the night. I regret that it has happened in Ontario.

I think the minister should take a good look at the area of the judge's jurisdiction, as well as at the lawyer in this case, who I think overstepped his bounds by requesting the police to seize the children without having an order in the original instance. There appears to have been an infraction of the justice system in Ontario and I think that lawyer should be reprimanded for taking such action.

I wanted to bring this to your attention. Perhaps other members have had problems similar to this. Let us hope it does not happen again.

**Mr. Chairman:** That deals with sections 18 and 19 of the act; we can now go to section 20.

**Mr. Cassidy:** Mr. Chairman, I have an amendment. I have copies for the critic from the opposition as well as for the minister and the chair.

**Mr. Chairman:** Mr. Cassidy moves that the following be substituted for subsection 20(1) of the act as set out in section 1 of Bill 125, and that the existing subsections 20(2) to 20(7), inclusive, be renumbered:

"(1) Except as otherwise provided in this part, the father and the mother of a child are equally entitled to custody of the child and shall normally be expected to share responsibility for the child through joint custody under arrangements arrived at by mutual agreement.

"(2) Any decision of the courts with respect to custody or access shall have substantial regard for the degree of co-operation shown by the father and the mother in reaching an agreement with respect to joint custody or in adhering to the letter and the spirit of existing agreements with respect to custody and access."

**Mr. Cassidy:** Mr. Chairman, many of the people in this chamber probably saw the movie *Kramer vs Kramer*, which was a hit on the movie screens a couple of years ago. In that

film, at the end nobody quite knew what was the right decision as to which parent should have the child. That is, perhaps, an example of why it is important, it seems to me, to rethink the basis on which the courts are now generally required to decide who gets the kids in the case of a marriage breakup.

In *Kramer vs Kramer*, was she the better parent or was he the better parent? Or was it not the case that both of them had something to contribute to that child and that both of them could certainly be deemed to be adequate parents—maybe not perfect by your book, Mr. Chairman, or by my book, but certainly people who cared about their kid and who really wanted to look after that kid's best interests?

I would suggest that is the case in a large number of marriage breakups but that because of the nature of the divorce laws, and also, I suppose, because of the nature of society, unfortunately the kids are treated as pawns.

We have for 10 or 12 years had reforms in the divorce law. Alimony and spouse support are seldom paid. Under certain conditions no-fault divorces are available—and one has to assume, given the trends in North American legislation, that will become more rather than less common—so it will not be required to prove that one party is the guilty party. In various ways the courts and the law will permit people simply to go before a court and say: "We are sorry, but the marriage did not work out. We have irreconcilable differences and we do not want to live together any more."

The difficulty is when kids are involved it complicates the matter a great deal, particularly when the tradition of the legal system, a tradition that has not changed in the bill we have before us today, is that one or the other parent will be awarded sole custody of the child.

**11:40 a.m.**

I do not have the specific figures, but I believe something along the lines of 90 per cent of custody decisions are made in favour of the wife. I believe it is the case that well over 90 per cent, probably 95 per cent or 96 per cent, of the custody decisions follow the practice known as sole custody. The other partner has certain visiting rights and certain rights of access, and one of the purposes of this bill is to try to broaden those rights of access: for example, to make it clear in the law that the noncustodial parent has the right to go and talk to a child's teacher or principal about the kid's progress in school, where in the past there have been instances in which the parent who had custody

made it very clear to the school that under no condition were they even to talk about the child to the noncustodial parent.

One thing that happens is that the disagreements and the acrimony between the parents shift into disputes over the children, and that is tragic. Not only that, but the rights of the child become very much forgotten in the exercise as it happens before the courts. I am afraid this is still going to occur under the bill in the form in which the minister and government have proposed it at this time, even though I recognize it is a better bill than the existing legislation.

If you went back to the *Kramer vs Kramer* type of situation and asked the child, "Which parent do you want to live with?" that child would say, "I want to live with both my mommy and my daddy." "Well, which parent do you want to see?" "I want to see them both. If they are not going to live together, I still want to be able to see them both because one is my mother and one is my father, and I have a special relationship with them both."

Again, I speak in part from personal experience. In many cases I have known—and it is unfortunate when families break up—the kids do not seek a divorce from one parent and really want to maintain contact with both parents but may find themselves put in a situation where, because of the custody decision, because of the fact that one or other parent has been given custody and the parents are still at war between themselves, it becomes extremely difficult for the child to have regular contact with the noncustodial parent. I am going to speak at some length about this; the purposes of my amendments are to suggest that there is an alternative and that we in this province should be considering it very closely.

I regret that this really was not debated extensively during the course of the committee hearings on the bill, and I regret as well that the group I have been in contact with in Ottawa, the Noncustodial Parents Alliance, was regrettably not aware of the fact that the bill was being considered before the committee. I am not sure that other groups of noncustodial parents in Toronto, Hamilton, Windsor and London were aware of it either. I do not think it was really raised as a serious matter before the committee.

It should have been and it should be now. If the government does not feel it can accept these amendments at this time, I hope that either in one of the policy units within the Ministry of the Attorney General or within the Ontario Law Reform Commission the matter of a new approach

to custody for children where divorce or marriage breakups are taking place will be seriously studied and that the evidence from the half dozen American states which have now moved towards a joint-custody approach will be very seriously considered with a view to adopting this approach here in Ontario.

The first part of this amendment states, as does the present bill, that "the father and the mother of a child are equally entitled to custody of the child." I have to say that although it is stated in the present bill, in reality this is a bit of a joke because the courts are not given a clear signal that they should change their present practice, which is that in 85 per cent, 90 per cent or 95 per cent of the cases, in the overwhelming majority of cases, custody goes to the mother.

This amendment seeks to give that signal without which neither the courts nor, I believe, the parents will change the present practice of fighting over the custody of the children because the amendment says, "The father and the mother . . . shall normally be expected to share responsibility for the child through joint custody under arrangements arrived at by mutual agreement."

One question that arises from that is, does the joint custody mean the child has to live three days and 12 hours in one home each week and three and a half days in the other home to meet the requirements of joint custody?

In California, which is farthest along in terms of exploring this new approach to the law, they definitely say no. They say that to try to pin it down to a legalistic kind of equality would be wrong because that is not what we are looking for. We are looking for a matter of spirit and an approach which will provide reassurance to the children that they have access to both parents.

It is suggested other arrangements might work, and there are a number of them. Frankly, they require, among other things, middle class incomes and lifestyles. If both parents are going to maintain a bedroom for the child, for example, so a child can spend a week in one home and a week in the other, that requires that both parents have the means to have a home where they can have a bedroom for each child, which means an increase in expenses.

If both parents are going to have the child one week at a time, one month at a time, or one year at a time with comparable arrangements, at the extreme that means arrangements with teenagers where the parents live in the familial home one month on and one month off, with the kids living there all the time, and each parent



maintaining separate quarters outside. That is a bit idealistic, although it is one thing that is possible.

I believe, however, that joint responsibility does not automatically mean joint residency. The question of residency and custody should be separated rather than be included as being exactly the same thing.

The amendment says the arrangements should be arrived at by mutual agreement. The question arises as to whether it is not the case right now that it is hard to get the divorcing parents even to agree whether they meet in his lawyer's office or hers, let alone to make a decision as to what is going to happen with the children.

The answer is, yes, that is the case; there can be a great deal of acrimony. One reason I am going to suggest, in a subsequent amendment, that there should be a mediator appointed by the court who would sit down with the parents at the earliest time to discuss arrangements for the children is precisely because of the need to get the parents, whatever their personal feelings about each other, to focus on the needs of the child and how they are going to cope with this opportunity they have jointly created; because when they divorce they are divorcing each other, but most parents will accept they are not divorcing the child at the same time.

One of the requirements is there has to be an incentive towards co-operation with respect to custody arrangements for the child. Right now it is the contrary. Right now the percentage favours a parent who thinks he or she has a good chance of getting the child being as unco-operative as possible. Because if they are unco-operative, the chances are they can win sole custody from the court with some kind of visiting arrangements, then they can work on that one too; whereas if they are co-operative then what they will agree to will be a great deal more.

Right now, joint custody is only accessible under the law if both parents agree. Therefore, there is a veto in the hands of either parent. Essentially, the least co-operative parent would be the one who would assume the veto and, therefore, the least co-operative parent has it in his or her power to decide whether there should be a joint custody arrangement or not.

That is why the second part of the insertion, the new subsection amended into this section 20 says, "Any decision . . . with respect to custody or access shall have substantial regard for the degree of co-operation shown by the father and the mother in reaching an agreement with

respect to joint custody or in adhering to the letter and the spirit of existing agreements with respect to custody and to access."

Regrettably, sometimes these matters come back to the courts. If one parent has not been playing his or her part in terms of upholding the agreements, the court should be prepared to look at that in making subsequent decisions.

**11:50 a.m.**

One parent may say, "I am absolutely not going to go along with any of this stuff," and the other parent may say: "I am prepared to see a joint custody arrangement, and as long as I can have access to my child for a couple of days a week, I am prepared to talk about how we might sort out the remaining time. It does not matter to me whether I get exactly half the time with the children, but I definitely want to be involved. I am prepared to contribute to the cost of upkeep. If my wife has the child and she cannot afford all the costs, I am prepared to contribute to some of her costs as well, as long as we are jointly responsible for the child."

If those are the attitudes that are put forward by the two sides, then the court should be able to say: "What is coming from one side makes more sense and is certainly more co-operative. It is more likely that the joint custody, the access by both parents to the child and by the child to both parents, will work if the child goes to the father rather than the mother." That kind of incentive to co-operation does not exist within the present system.

I want to go back to the situation we have now. The member for Erie has indicated some of the problems that can occur when these matters go to the courts. I have worked with constituents who have been involved in cases of child-stealing, where the children were abducted by one parent and disappeared for long periods of time. Sometimes they have been recovered. Even when they are recovered and come back to the parent who has legal custody, in my experience, as often as not, that happens by means that are outside the law.

In one case I was involved in, the children eventually showed up somewhere in Florida. The children's aid society called and said: "We have your children in care here. It will take you about eight months to go through the legal shenanigans that are involved in order to regain custody." The children's aid in Florida said: "Why don't you fly down and simply take the children and go back to Ottawa? We will wash our hands of it." That is what happened. That is



how the mother regained custody of her children.

Under the present arrangements, which discourage co-operation and encourage the fighting to continue over the children, the Attorney General must be very familiar with the fact there is a tremendous default rate on child-support payments. This is usually from the father to the mother on behalf of the children. Why is that? I suggest one of the major reasons for this is that the noncustodial parent sees no percentage in making those payments because he has been so thoroughly shut out of the lives of his children.

If a father has a visiting agreement that allows him to go a couple of half days a month or one day a week or something like that; if he is a Saturday parent and his times are 9 a.m. until 4 p.m., and the mother will scream at him if he returns the child at 4:15; and if it is arranged in such a way that all he can do basically is take the child out for treats rather than doing the kind of things most parents do with their children at different ages, then he winds up being a little Santa Claus out to compete with the custodial mother in providing goodies, treats or favours for the child.

I have teenagers now. If I were in the unhappy situation of being a noncustodial parent and the order said, "Nine o'clock until five o'clock on Saturdays," one of my teenagers is selling ice cream on Richmond Street and he does not want to be around from nine until four o'clock on Saturdays. Another one sleeps in until one o'clock, so he would not want someone to take him out at nine in the morning. Those are the kinds of real situations that exist.

One of my contacts in Ottawa has told me about his problem. He has an agreement to take his child for three or four weeks in the summer for a holiday. The child is in the custody of the mother. Rather than take the kid to a cottage or have him mooching around in town, he intends to take his holidays and wants to take his son canoeing. That is something I did with my father when I was young and it is something that many boys would welcome doing with their fathers. However, in order to do that, the child has to be able to swim. In order to learn to swim, he has to go for lessons on a Wednesday or a Thursday night.

But because the parents are still at war, and because there is no incentive in the present act to co-operate, the wife will simply say: "I am sorry, but your time is from Saturday to some time on Sunday and you cannot have him on

Wednesdays. I will not make the arrangements for the child to go to swimming lessons at the Y when they are available on Wednesdays," therefore putting at jeopardy this real activity between the child and the parent.

It is wrong that we are going to continue to make a decision, ostensibly in the best interest of the child, as to which parent will have full custody, which is the situation that will still exist under the act. I want to talk about a subsequent section, but it is with reference to this one; and I do not have amendments to that subsection 24(2), which sets out the grounds which are going to guide the court.

Those grounds have been broadened. They do include the love, affection and emotional ties between the child and the parents. They also include the question of the capacity and disposition of each of the parents, in most cases, to provide both the necessities of life and the special needs of the child, and also the permanent stability of any proposed custodial home as a family unit. These decisions are normally made in the same time frame or often in the course of the same hearing as a divorce and come at a traumatic time for everybody involved. It is certainly traumatic for the children, who fear they are going to lose a parent.

No matter what we say about changes in morality and so on, marriage is still pretty important. All of us get married more often than we ever did in history, partly because we keep on trying again. If a marriage fails, people cannot help but feel they have somehow failed as well. It is traumatic to have a marriage breakup in most cases.

The first question is, how does the court balance the love, affection and emotional ties, the rights of the child, with the question of which person will be the best person to look after the child? The answer is it is extremely difficult because, as I said earlier, if we ask the kid which parent he would prefer he might say, "I want to be with my mother," or "I want to be with my father."

But if you ask the child the realistic question, "With which parent do you want to spend almost all of your time?" I would say that in 80 or 90 per cent of the cases the child would say: "I do not want it that way. I want to continue to have a lot of contact with my mother and a lot of contact with my father." Unfortunately that option is basically closed off under what we are doing with the law as it is here.

When the court comes to the other question of either/or, which person, it has to consider the



capacity and disposition of each person applying for custody to look after the child. I am not a lawyer. I have not engaged in family law. I do not know whether it is five per cent or 10 per cent or maybe 25 per cent of the cases where the question of the capacity and disposition of the parents to look after the child is relatively clear cut.

If we took the member for St. Catharines (Mr. Bradley), myself and the Minister of Consumer and Commercial Relations (Mr. Elgie), or any other three people with reasonable common sense, and asked them to make a decision between the parents, it would be relatively clear to us that one parent or the other really should have custody over the child. But I would suggest in the large majority of cases, perhaps 75 per cent, 80 per cent or even 90 per cent, it is not easy to make that decision.

If we asked this same panel of people the question "Is the mother adequate?"—not if she is the best, but if she is adequate to look after those children—the answer would be yes. Asked if the father was adequate to look after those children, the answer would be yes as well.

#### 12 noon

We all seek perfection but we cannot get it. In terms of financial capacity, most sole-support mothers suffer a sharp drop in their standard of living and in their financial capacity to look after children.

There are a number of people in this chamber who grew up in good circumstances, but they were not circumstances that were materially rewarding. They grew up in three-room apartments, four-room farm houses or situations like that. Material means are not the only factor at play.

If there are two adequate parents, why do we in this Legislature, in our wisdom, say the court has to decide that one parent is more adequate than the other? If there is a judgement that one proposed custodial home seems to be more permanent and stable than the other, what foresight does the family court judge, the Supreme Court judge or the panel of the member for St. Catharines, the Minister of Consumer and Commercial Relations and myself, have to anticipate the situation five or 10 years hence?

In five years' time the home that appeared to be permanent and stable might have turned into a snake pit. The parent who did not seem to have his or her life together might have been able to get it together within a year or so after the marriage breakup, with a new partner or on his or her own. It might be that the marriage had

been extremely confusing and, without that pressure, the other parent might manage to get things together particularly well.

Once again, if we are looking at two parents competing for custody, the court is asked to look at the capacity of each parent to look after the child.

Let us suppose the child is a preschooler. What are the needs of the preschooler? Their needs are such that there is a disposition in the courts to award custody to the mother because mothers tend to have more contact with preschoolers than fathers, even though that might be changing.

However, let us look ahead five years when that three-year-old has become an eight-year-old. At eight, that child might be a bit tempestuous and a bit beyond the capacity of the mother to control. At that stage, the eight-year-old might find that the father has more capacity and disposition to deal with him, channel him, help him and get him moving.

Let us go now to the age of 12 or 13. Suppose the child was a girl who had been left with her father. Suppose that at 13 she had turned into a tomboy and was having all kinds of pre-adolescent tempests and storms and there was utter, outright war between the father and daughter. However, the mother might be able to relate to the child and help her to face what is happening to her in the process of going through puberty and becoming a woman.

Let us go ahead again to the age of 16 or 17. Perhaps at that age the daughter would feel she was competing with her mother and might be much happier and more friendly with the father.

In other words, at three it would be good for her to be with the mother, at eight with the father, at 13 with the mother and at 17 with the father.

The minister has several children and has had a successful family life. He will know that in a two-parent family both parents play the role of the psychological parent and both of them play it more strongly or less strongly at different periods of time. In my family right now, I am better able to talk to my middle child than my wife is. At other periods, she was better able to talk to him and relate with him.

All those subtleties, changes and ways in which the adults and the children are going to change are what lie ahead at a time when we say to the courts, "Okay, at this moment in time we are asking you, because that is the position right now, to make a decision with respect to sole custody." Most of the time that is what it is going

to be and, therefore, regardless of whether the father might be good for his child at later stages in life, regardless of whether one home that seems stable now might become unstable and one home that seems unstable now might become more stable, the court makes a decision with respect to sole custody.

I am suggesting we have got to get away from that. What we have to do is to try to separate the decision of the parents to divorce and the decision made by the parents with respect to the children. There is now mounting evidence that it is possible for parents, who themselves cannot get along to the point of staying married, to make those decisions and to be co-operative about the children. In fact, at times they can even do a better job with respect to their children, probably because of their sense of guilt at having failed at the marriage and a sense that they are not going to let this be passed on to the children.

There is added evidence, and again I want to speak in a very practical way, that most kids go to their mothers. Most single-parent mothers either have to work—and they work for women's wages, which are much lower than men's—or else they have to go on family benefits, which once again condemns them to a life of very low income.

A woman aged 28 or 33 or 36 has not reached the point where—Mr. Chairman, I will wait until the Attorney General is paying attention, because I think this is important—where her only goal in life is the raising of the children who have been awarded to her as a result of a sole custody decision. She has a number of years ahead of her. If she has her head on her shoulders, she knows that those children are going to grow up and, at the age of 45 or 50, she will be faced with another 20 active years without children to be responsible for. She quite possibly feels that she could strike up another relationship and get married again. Maybe she has outside interests. Maybe she needs to be educated to qualify herself for a career.

In the battle in the divorce courts, perhaps aided and abetted by her lawyer—although I hope not—the line becomes, “I am not going to let that son of a b— take over my children.” The battle is very much over the children; but after the dust has cleared and the decision has been made, there she is with children who need babysitters and a lot of care and attention. She is responsible for the basic problems of parenting. She has to provide a home and income. She has

to do the shopping without assistance and that kind of thing.

In addition to that, she is responsible for discipline. She is responsible for trying to broaden her children's horizons. If she decides she wants to have a bit of time to take a night course or to go out and meet some people or sing in a church choir or something like that, every time she does it she has to get a babysitter and has a sense of guilt in abandoning the kids because of that. She also has the added expense.

Once again, one asks oneself: “Is that really the best way? Or would it not be more feasible to allow that parent to look after the child and still grow and do the other things that are important in his or her life; in other words to have the responsibility shared between the parents?”

I want to conclude by bringing to the minister's attention section 4600, I think it is, of the California bill with respect to joint custody. This came through about 1979, partly because of the great concern of noncustodial parents in that state. Section 4600 of that bill is equivalent to the one we are considering here.

The first section of that bill states: “The Legislature finds and declares that it is the public policy of this state of California to assure minor children of frequent and continuing contact with both parents after the parents have separated or dissolved their marriage . . .” The very first part of that section 4600 indicates clearly that the best interests of the children begin by allowing the kids to have frequent and continuing contact with both parents.

**12:10 p.m.**

It goes on, “. . . and to encourage parents to share the rights and responsibilities of child-rearing in order to effect this policy.” Sad to say, although we say both parents should have equal rights of custody, essentially once the custody decision is made we do not indicate as a matter of policy that we believe both parents should share the rights and responsibilities.

The bill goes on, and I will quote section 4600 again: “In any proceeding where there is at issue the custody of a minor child the court may during the pendency of the proceeding or at any time thereafter make such order for the custody of the child during minority as may seem necessary or proper.” That is the equivalent to our law. “If a child is of sufficient age and capacity to reason so as to form an intelligent preference as to custody the court shall consider and give due weight to the wishes of the child in making an award of custody or a



modification thereof." Again, we have something like that in section 24.

This is important: "Custody should be awarded in the following order of preference according to the best interests of the child . . ." The order of the preference is "to both parents jointly pursuant to section 4600.5 or to either parent." In other words, in the California law they say that if there is a choice between joint custody or sole custody, the decision should be for joint custody unless there are compelling reasons to the contrary. That is what is lacking in our law, and that is why my proposed section 21 says, "That the parent shall normally be expected to share responsibility for the child through joint custody."

The California bill goes on to say, "In making an award of custody to either parent the court shall consider which parent is more likely to allow the child or children frequent and continuing contact with the noncustodial parent." The only reference to co-operation in this bill relates to co-operation with the social worker who goes out to talk to the parent; it does not go beyond that and it should, that is why my subsection 2 is proposed here.

Then it says, "The court in its discretion may require the parents to submit to the court a plan for the implementation of the custody order." That one is hinted at in our bill but it is not a requirement. Once again, the parents can submit a plan. They say to them jointly, "Go out and make a plan. See what you can decide together in co-operation, even if you do not agree to live together." That is a much better kind of arrangement than the arrangement we have in our law right now where, if there is a disagreement, it keeps on coming back to the courts, to the point where people become absolutely sick of the litigation that takes place.

Then section 4600.5 says that there should be a presumption that joint custody is in the best interests of the minor child "where the parents have agreed to an award of joint custody." In other words, if the parents say that is okay, the court cannot overrule it. Once again, that is something which is not involved in our law.

**Hon. Mr. McMurtry:** The court does not overrule them here when they agree.

**Mr. Cassidy:** If they agree.

**Hon. Mr. McMurtry:** The issue is when they disagree.

**Mr. Cassidy:** I am glad the Attorney General is listening, but the point is that right now parents can go in with a plan for joint custody

and the court can say, "Well, we have read the law and in our judgement that is not good enough and we are going to award sole custody."

**Hon. Mr. McMurtry:** Show me one case where that has ever happened.

**Mr. Cassidy:** If the Attorney General is satisfied that is never going to happen, then I believe the law should say so.

**Hon. Miss Stephenson:** You have got to be kidding.

**Mr. Cassidy:** I am glad the Minister of Education (Miss Stephenson) is listening to this as well, because section 4600.5(b) says, "Upon the application of either parent joint custody may be awarded in the discretion of the court in other cases." I say to the Attorney General, what happens there is it does not require that both parents agree for joint custody to be awarded, whereas in our system essentially it is only if both parents agree that joint custody is going to be awarded.

**Hon. Mr. McMurtry:** That is essentially the California system.

**Mr. Cassidy:** That is the California system I am quoting.

I recognize the Attorney General may find it difficult to accept these amendments today, but I am making this intervention to plead with him, and with his officials who are sitting in the gallery, over the course of the next six months or a year to look closely at what has been done in California and in other jurisdictions, to ask the kinds of questions I am asking as to whether that does not more closely accord with what is in the best interests of the children and with what all of us have experienced in terms of knowing what goes on and what children and parents in the case of divorce actually want.

I know a lot of parents who, when there has been a divorce, do not want that breakup and who do not want all of the argy-bargy. I have a relative who went through this, and I will give this as a case to the minister; perhaps he can respond to this. This relative was faced with a custody hearing as a consequence of his divorce. It is fair to say that both parents were adequate parents. Both would be judged by the courts to be caring, loving and capable. They both had the financial means to look after the children and so on.

In this case, the wife was being uncooperative and indicated she was prepared to fight like hell in the courts to get sole custody of the children. At the time the children were

about nine and 12. My relative said: "With those children, it is not fair to have them exposed to that kind of court battle between the parents. It just is not fair." Therefore, rather than put the children through that, he simply let it go and sole custody went to the wife with some rather tragic consequences, I believe, for the two children in question.

I am reminded of the parable of Solomon and the two mothers who were squabbling over who was the true mother of the baby. Solomon finally said, "We will solve this problem by cutting the baby in two." One of the contending mothers said, "No, in that case I will give up any claim I have to the child." Solomon said the mother who gave up the claim was the true mother. The reason that was true was that she was prepared to sacrifice anything to save the life of that baby.

That can happen now under our present sole-custody arrangements. The option of joint custody is not there unless both parents agree. Obviously there will be cases where parents will not agree, and the legislation does not give the clear signal that they should be looking towards joint custody.

I could say some more, but I think I have laid out the case fairly strongly. I will be very interested in the comments and the reaction of the minister.

**Hon. Mr. McMurtry:** Mr. Chairman, I will refer briefly to the comments of the member for Erie (Mr. Haggerty), although he is not here. In the case the member referred the Legislature to, I would be very content if the lawyer involved would like to correspond with me directly if he feels there were any improprieties or if, in his view, there is any manner in which our current procedures could be improved, bearing in mind the legislation now before the House. I welcome further information in relation to that case.

As far as the member for Ottawa Centre (Mr. Cassidy) is concerned, I want to say at the outset that there is little he has said with which I would not agree. We might have slightly differing views as to how to achieve the goal that I am sure we both desire. I would like to thank him further for his letter of June 14, in which he sent me, as he describes quite accurately, a fairly extensive file of articles and comments on the question of joint custody. I certainly will read these articles with interest, as this issue has been of concern and of interest to me for a long period of time.

12:20 p.m.

As one who practised in the courts very extensively for 17 years before being elected to the Legislature, I had a great deal of personal experience with matrimonial disputes, including custody battles. There can be no doubt that is one of the unhappiest types of litigation imaginable. I cannot ever recall a case where I did not feel it would have been so much more appropriate if the parties could have resolved their differences outside of the courtroom and indeed short of any litigation.

I think it might be helpful, Mr. Chairman, if I were to read the letter I sent to the member for Ottawa Centre on June 9, 1982, in reply to his letter of May 31, respecting the issue of joint custody. The letter is as follows:

"Dear Mr. Cassidy:

"Thank you for your letter of May 31, 1982, regarding Bill 125, the Children's Law Reform Amendment Act, on the issue of joint custody. I wish to assure you that, in bringing forward the bill, I was most concerned that the court have the power to recognize the benefits of joint custody in an appropriate case and to make an order accordingly. As you will note, under section 28 of the bill the court may grant custody to more than one person. Of course, the bill also declares in section 20 that the parents of a child are equally entitled to custody of the child.

"In your letter you refer to the support of the Noncustodial Parents' Alliance of Ottawa. I recently had an opportunity to respond to a brief they submitted on Bill 125. I pointed out that where the court does not feel that complete joint custody is suitable, the bill includes unique features that would permit joint control over specific aspects of the child's care, such as choice of religion, consent to medical treatment and the right to direct education. In addition, I brought to their attention the increased rights of the parent with access to be visited by the child and to be given information about the child. The bill also provides for mediation on a voluntary basis.

"I appreciate that the bill does not completely follow the California model. Professor Julien Payne, a professor of law at the University of Ottawa who has written widely on family law, has recently expressed the opinion that the presence or absence of statutory provisions will not determine the efficacy of joint custody. A practice direction to the family division courts in Great Britain states that joint custody should not be ordered except with the agreement of both parties.



"It is also noteworthy that when the family law subsection of the Canadian Bar Association appeared before our standing committee on the administration of justice in December 1980, they asked for clarification of the provisions relating to joint custody. When they reappeared before the committee in January of this year, they simply recommended that rights of parents with access be increased. The bill was amended accordingly.

"In view of the consideration that has been given to those issues and the need to implement the provisions of the bill, particularly with respect to child abduction, as soon as possible, it is unlikely that I will be proposing any amendments to the committee of the whole."

Again, I do appreciate the legitimacy of the concerns that have prompted the submissions of the member for Ottawa Centre. I think it is important to appreciate that in the vast majority of cases where there is marital breakdown, separation and/or divorce, the parents appreciate the wisdom of not getting into litigation over custody of infant children. I do not think we have totally accurate figures, but it is only in a tiny percentage of cases that parents go to the courts to battle over the custody of their children.

I think this is a recognition on the part of the great majority of parents. I am not suggesting that all parents do not recognize this. I certainly think it is an illustration of the concern most parents must feel about resolving these issues in so far as they pertain to custody of the children without resort to litigation.

Probably in 90 per cent of those cases—I think it will be more than 90 per cent in cases where there is marital breakdown—the parents do agree that the infant children live with the mother. The member for Ottawa Centre states, and I do not quarrel with his figures, that in approximately 90 per cent of the cases the courts will award custody of infant children to the mother.

Whatever those figures are, I think they relate directly to what people on their own agree to, short of litigation. Basically, what the courts are reflecting is public attitudes generally. It is to be hoped that they are motivated for the most part by a concern that the best interests of the child prevail.

I stress that this legislation does provide for joint custody. What we are attempting to do, and fundamental to our concerns, is to avoid unnecessary litigation. It is our view, and I think it is the view of the overwhelming number of

experts in the field in Ontario, that the slightly more rigid California approach is only going to produce more litigation. I will explain why in a moment.

As far as the principle of joint custody is concerned, I want to refer to the Kruger case. In a 1980 decision of the Ontario Court of Appeal reported in 25 Ontario Reports (2d) 673, the Court of Appeal has said the court should give serious consideration to joint custody as one of the available options. That is certainly well recognized by our courts.

The court went on to state, and this is crucial to our discussion, that there must be evidence of willingness on the part of the parties to make it work. Without that evidence of willingness, there will be more litigation with more emotional trauma as far as the children are concerned and, as well, as far as the parents are concerned.

That is why there is no doubt in my mind that when parents go to court and say, "We have agreed on an order of joint custody," I cannot envisage a situation where the courts would want to interfere with that agreement.

The Ontario Psychiatric Association has stated: "We agree with the general thrust of the act. The joint custody is one option." It goes on to state that, in its view, it should not be a presumption. It quite properly points out, as our own courts have recognized, that it is useful only if parents can retain the spirit of co-operation and willingness.

I do not question for one moment the legitimacy of the concerns that prompted the amendment; and I certainly agree with the member for Ottawa Centre that this an issue we must continue to look at and monitor, because we do not want to create the impression through this legislation that one parent is being stigmatized by the fact that the other parent has custody of the children. I am worried about the perception that sometimes can be created in their minds that somehow they are less of a parent in so far as those children are concerned because custody has been awarded to one particular parent in the context of a dispute.

**12:30 p.m.**

In this context I think I am correct in stating that nowhere does the legislation refer to sole custody. The honourable member referred to that on a number of occasions, but I do not believe that anywhere in the act does the term "sole custody" appear. In fact, what we are talking about is custody with legislation that is

going to encourage generous access where there is custody.

I reiterate once again that in section 28, the legislation makes it very clear, as I have already stated, that the courts may give custody to more than one person. So when it comes to sending a message to the courts that in certain cases a joint custody order may be in the best interests of the child, I think we are really attempting to send that message. I am told, as I have already indicated, that the California legislation states that there shall be a presumption of joint custody where the parents have agreed.

My specific concerns with respect to the proposed amendments are, first of all, the possibility of further litigation, with one parent trying to enforce the presumption of sharing of responsibility. One might ask questions such as, "Would they be expected to share responsibility while living together, when separated or after a court order?"

Again, when we talk about mutual agreement, what are we talking about: a legal or an oral understanding? What we are attempting to do is to enshrine the principle that is now well recognized in the courts that the fundamental and overwhelming consideration has to be the best interests of the child. The courts, I really believe, do recognize that any order which makes one parent feel inferior with respect to his or her sense of responsibility in relation to the upbringing of a child, of course should be avoided. That is why I say I share most of the concerns that have been expressed by the member for Ottawa Centre.

The difficulty with these cases is that unless there is an agreement, parents in the small majority of cases unfortunately do engage, in my view, only too often in unnecessary and prolonged litigation with respect to matters of custody and access. I am sure many of these parents may in their own hearts believe that they are being motivated by what they perceive to be the best interests of the child. However, I think it has been the experience of many of us who have participated in these battles as lawyers, or in another professional capacity or simply as witnesses to battles that often take place in our own families or among our friends, neighbours and colleagues, that unfortunately, too often this litigation is motivated by the desire of one parent to do battle with the other.

As a result, children are often unnecessarily victimized in the process. In my view, the tragic aspect of it is that all too often the people who

are engaging in this unnecessary litigation do not realize what results it is producing.

So what we have in this very carefully structured legislation, which has come back to the House after two series of hearings in committee, is really the product of the best advice available. It is structured to avoid unnecessary litigation in an area where I agree conciliation should be of paramount consideration.

To sum up, I very much respect the sentiments that motivated the proposed amendments and we will continue to look at this issue very carefully. But at this time, for the reasons stated, I am unable to accept these amendments.

**Mr. Cassidy:** I have a few more comments to make on three or four points but I will be brief: I promised my friend the member for Riverdale (Mr. Renwick) not to go past 10 or 15 minutes from now.

The minister says the law is structured to avoid unnecessary litigation with respect to the rights of access. While he was saying that I was reading through the law, which is pretty much silent on what kinds of rights of access should be provided by the court. There are very few guidelines that I can find respecting the nature of the type of access that is to be awarded.

What is clear is that under section 21, if an access agreement needs to be changed, or if an access agreement is not being respected, it has to come back to the courts, which does seem to me to be potentially litigious. I would say, contrary to what the minister said, that the law is basically silent on providing guidance on how access will be looked after.

The minister said that the fundamental interest, and I agree, is the best interest of the child. But I go back to the point I made before: the child is not choosing to divorce his or her mother, or to divorce his or her father. Let us turn that around and not talk about the rights of custody and the rights of access by the noncustodial parent to the child. Let us talk about the rights of access by the child to both of his or her natural parents. I am not sure whether that is sufficiently dealt with in the bill as we have it here.

The minister cited the Kruger case and pointed out that the requirement there was that there must be evidence of willingness of both parties to make joint custody work. That is essentially the state of the law in Ontario now, and the state of the law which is perpetuated by this particular bill.

However, there are two points to be made about that. The first is when you have a custody



and access agreement that obviously can work. It can work quite well at times if the parents are prepared to make it work. If the will is there it is going to work, and if it is not, there is a risk of one of two things happening: either the parties are going to get into more litigation and constant recourse to the courts, or the parent who does not have custody throws up his or her hands and says "To hell with it" and becomes a nonentity so far as the life of that child is concerned. Too often that is what happens, and many children wind up in the hands of their mothers.

The consequence is that, increasingly, we are raising a generation of children who basically have not had very much experience of being fathered. I suspect that is a bad thing for those kids. I think it is bad in so far as those children's rights are concerned. It may also be bad in the social consequences of having a larger and larger number of children who have mothers but do not have fathers.

To have joint custody the present law says there must be evidence of willingness of the parties to make it work. Whether it is joint custody or is not joint custody, if there is a willingness to make an arrangement work the chances are that it can work; although, even there I would suspect that joint custody can be more fruitful.

**12:40 p.m.**

However, what is needed when people divorce and the trauma is there, given that we are talking about an arrangement for a child's life that will go on not for the year or two of the trauma but for five, 10 or even 15 years of that child's life, is a strong signal about what the state believes. We need a strong signal about what we in this Legislature believe should be the arrangement those parents make for the innocent parties in this transaction, the children who happen to have been born to parents who divorce.

If one parent who is prepared to be co-operative, to move heaven and earth to participate—and I would say particularly in many cases that is still the father—says, "I want this joint custody. I want to be involved," and if the mother says "No," then there is no willingness. Therefore, under our law it is down the spout, joint custody does not work, and the mother gets full custody.

The minister says many of the cases are determined without going to litigation. I gave a specific example of why that happens. The fathers look at the legal costs and the chance of winning and the lawyer says to them: "You may

as well forget it. You are not going to win custody anyway." The mother says, "I will not agree to joint custody." Therefore, the compromise, which I believe in many cases might be in the best interests of the child, is not available.

All of us know, from any kind of bargaining we have done—and we have seen some bargaining in this House in the last couple of days—that compromise is required. There has to be a compromise position. It is a position in which both parties can win or can feel they are better off. Last night we had an agreement whereby the government hopes to get its legislation through before the summer and the opposition succeeded in getting public hearing on some bills. In the case of husband and wife, if the alternative for the husband is joint custody, taking that responsibility and having the access as opposed to visiting rights, obviously the husband will take that over a weak chance of winning full custody.

For the wife, if this means that she has some help from time to time with the child, if she is assured those child support payments—which, she has heard from her friends who have been through it, are terribly difficult to get in so many cases—will come through regularly because the guy is involved with the child, there is an advantage in it for her as well, or at least she loses less than if it the husband has sole custody.

I am suggesting the rule of willingness is not a rule we should perpetuate. We should be prepared to look at this. The minister says he thinks the California law is more rigid. Given the fact of willingness on both sides being required, our law is more rigid because it gives a veto to the less co-operative parent.

I reiterate my request and ask the minister to agree. Will his ministry, in the next year or two, specifically undertake through the law reform commission, through his officials, maybe through two or three members of the Legislature, to go to a couple of jurisdictions where this is practised to look at some of the alternatives and see whether we cannot take this law a step forward in terms of providing mechanisms which would seek to encourage co-operation rather than to encourage discord, as I believe the present law in force still does?

**Hon. Mr. McMurtry:** We are continuing to look at a number of jurisdictions with respect to this issue. Certainly, we would be happy to give the member for Ottawa Centre the undertaking that we will continue to do so. We will be happy to share our thoughts with him on an ongoing basis.

**Mr. Chairman:** Is there any further discussion on the proposed amendment?

**Mr. Cassidy:** I have another amendment, Mr. Chairman, but perhaps it might be more productive for the House, since I have said most of the things I want to say, to wait until section 31 to make some further comments.

**Mr. Chairman:** I think that would be an appropriate way to proceed. The member for Ottawa Centre has moved an amendment to subsections 20(1) and (2) of the act.

All those in favour of the amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

**Mr. Chairman:** Shall sections 20 to 30, inclusive, carry?

Carried.

Mr. Cassidy moves that subsection 31(1) of the act, as set out in section 1 of the bill, be amended to read:

"Upon an application for custody of or access to a child, the court shall appoint a person to mediate any matter specified in the order unless both parties request that a mediator not be appointed";

That a new subsection 31(6) be added to the act to read as follows:

"If the parties are unable to decide on the form of the report of the mediator as provided in section 4, the mediator shall file a full report in accordance with subsection 4(a)";

And that the existing subsection 31(6) and the remaining subsections of section 31 be re-numbered.

**Mr. Cassidy:** Mr. Chairman, these amendments are not purely consequential on the ones I put forward before. By the way, I would hate to think the social philosophy of the province is being determined by the member for Oriole (Mr. Williams), who was the most vocal in saying "No" to that last amendment.

This approach is also an adaptation of one that is now being used in California that I believe we should look at closely here. The only change in subsection 31(1) is that, instead of saying the court may appoint a mediator, this says the court will appoint a mediator to try to work out the questions of custody and access and arrangements for the child, unless both parties say "No." One assumes that, if both parties say "No," it is because they are either confident they can work things out for them-

selves or they have worked out an agreement and a mediator is not required.

The other part of the amendment indicates that if the parties cannot decide on what the mediator should report, then there would be a requirement for the mediator to come back and report to the court. One of the purposes of that is simply to bear in mind that the co-operation of the parties with the mediator or with a social worker is one factor to be dealt with by the courts. It seems to me, therefore, desirable for the mediator's report to be acceptable to the courts so they can know what is happening in terms of the co-operation of either of the parties.

I need not reiterate at length that there should be quite a clear signal in the legislation that, whatever their differences over other things, the parties involved in the determination of matters with respect to children should be rewarded for being co-operative. Right now, it is the contrary. I believe they are being rewarded for being unco-operative, as we just saw when it was clear there cannot be joint custody if one party disagrees. In other words, not being co-operative pays in that case. I think we should be saying in the legislation that co-operation pays.

We should look more closely at the experience in California where, because a separation or divorce is a traumatic experience, an outside third party can be extremely helpful in aiding people to separate their own personal differences from the best interests of the child. There is more and more experience of this in other areas, where that kind of crisis intervention or mediation takes place almost as a matter of course, in order that people can be level-headed about matters that are important, but that may not be the only matters they have in front of them at that time.

The minister is probably familiar with the practice of separation counselling, which takes place right now in large corporations. If some vice-president is getting the sack, traditionally he is not given much notice. He is called in on a Friday morning by the president, who says: "Joe, I am sorry, but we are going to have to let you go. Your work has not been satisfactory," or "We cannot afford to keep you," or "We are closing your division," or whatever the reason may be.

**12:50 p.m.**

When that vice-president emerges with an assurance of two months' severance pay and those kinds of things, a severance counsellor, somebody from one of the management firms



downtown, is sitting there. He says, "My name is So-and-so, and my job is to talk with you about what is going to happen and to help you to make the right decisions so you do not blow it." This is in order that somebody who has been fired after many years with a firm would be prevented from divorcing his wife, crashing his car, going off on a binge, burning all his bridges to people in the trade by making angry telephone calls to people who could subsequently give him a job, that sort of thing.

In this case it is the welfare of the child that is at stake, and the experience seems to be that if a mediator can sit down, either individually or with both parents together, and say, "Look, this is pretty traumatic. You have decided that you are going to split up. My job is not to get you back together again or to be moralistic; you are adults, and that is your decision. But there are children involved in this, and my job is to help you work out what would be in the best interests of those children," and if this is done early, if it is assured, if there is a signal from those of us who make the laws that we think it is important and that this is why the amendment is being made, then there is a better chance that good arrangements can be made for the child and that the arrangements which are made are made with a view to lessening or eliminating litigation and vicious court fights over custody.

I think the minister would certainly agree that whenever those court fights occur they are undesirable both for the mental health of the parents and for the best interests of the child. Wherever we can, it is desirable for us to find means of reducing or eliminating that kind of custody battle by encouraging people to come to an agreement to do things voluntarily.

That is what this amendment is all about, and I hope very much that this one, which is perhaps not as fundamental as the other one, can be accepted at this time as a further step forward in the improvement of this custody act.

**Hon. Mr. McMurtry:** Mr. Chairman, the only thing I think I would disagree with in what the member for Ottawa Centre has said is that people are awarded these battles for lack of co-operation. That just has not happened. As a matter of fact, I just cannot accept that conclusion.

We certainly agree with the concept of mediation. We have a number of conciliation projects around the province. The courts invariably become involved in pretrial conferences of one kind or another in order to mediate the differences without a court battle. I cannot accept the

amendment simply because it would be premature at this time to accept compulsory mediation. First of all, the resources vary from place to place in the province, and who the mediator is going to be will depend not only on the available resources but also on the circumstances of the case.

While the courts are very mindful of the importance of mediation and do invariably become involved in or direct some form of mediation, I think that one of the adverse effects of making it compulsory could be to serve the very parent whom the member for Ottawa Centre does not want to see receiving an advantage, that is, somebody who refuses to co-operate. To enforce mediation is only going to prolong the agony of the situation in a case where the court feels that mediation would serve no useful purpose and that it had simply better get on with it in the children's interest.

While I once again agree with at least most of the sentiments behind this proposed amendment and certainly agree with what the member has had to say about the importance of conciliation and mediation, I just think to make it compulsory could produce some very negative results.

**Mr. Cassidy:** Mr. Chairman, I'll just make a final comment. I guess the question I would ask is, what is there in the bill which really does encourage co-operation? The minister speaks of the conciliation projects and I am aware of those, but again I am not a lawyer, so I do not know them as intimately as perhaps he does since they are within his ministry. If you could take a factum, you have parents who are divorcing and one parent says, "I will not see a mediator"; then that parent says, "I will not agree to joint custody"; that parent says, "There is no way you can have sole custody," and that parent then fights like crazy whether it is negotiation or litigation to reduce the access by the other parent.

Not only that, but there is an incentive over the course of any contract that parent might have with authorities, with social workers or anybody else, to try to beat down the other side. If it is a wife she will say, "My husband is a son of a gun. He never provided adequately. He beat the children. He did this and that, all sorts of nasty things." In other words, there is an incentive on both sides to try to downgrade the other parent in the eyes of people making custody decisions.

If joint custody is the presumed outcome, it is much tougher because if you are going to enter

into partnership with somebody after the divorce in terms of looking after children, it is pretty hard to say, "He is a bum." That is one of the reasons I think that there should be a presumption of joint custody. I know we will carry this on at some future time but I say to the minister that he should perhaps talk, as I have, with some people who practise family law and who have been through those custody cases, even if they are rare, and ask those people whether or not there are incentives to non-co-operation in the system right now.

Perhaps one should ask as well why it is that in so many of the cases custody goes to the wife without ever going into a custody battle. Obviously, it is because husbands just simply say: "The heck with it. It is not worth it. I am not going to win. I am going to spend all kinds of money. It is going to be bad for the children." I presume that is the case, but once again if there were other kinds of outcome that they could look for and co-operate for, that would be an awful lot better for them and an awful lot better for the children who, when the parents were divorced, would not as a consequence find themselves being divorced usually from their father.

I leave that point with the minister and suggest to him that quite apart from all of the partisan stuff in this Legislature, if we, in our wisdom, could find ways to encourage co-operation with respect to children between

divorcing parents rather than a lack of co-operation that too often is encouraged now, we would be doing a great, positive thing for children who are the innocent victims of divorce and separation.

**Mr. Chairman:** The member for Ottawa Centre has moved an amendment to section 31 of the act as set out in section 1 of the bill. All those in favour of the amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negated.

**Mr. Chairman:** Section 31 carried.

Shall sections 32 to 79, inclusive, carry?  
Carried.

Section 1 agreed to.

Sections 2 to 7, inclusive, agreed to.

Bill 125 reported.

On motion by Hon. Mr. Gregory, the committee of the whole House reported one bill without amendment.

### THIRD READING

The following bill was given third reading on motion:

Bill 125, An Act to amend the Children's Law Reform Act.

The House adjourned at 1 p.m.

### ERRATUM

No.	Page	Column	Line	Should read:
75	2695	1	36	I said I knew whether Carousel, which I under



## APPENDIX

## ANSWERS TO QUESTIONS ON NOTICE PAPER

## TRAVEL BY MINISTERS

**111. Mr. Bradley:** Which ministers travelled outside Canada on government business between April 1, 1982, and the present? What were the names of those who accompanied each of them? What was the purpose of each trip? What was the cost for each trip and each individual? [Tabled April 28, 1982].

See sessional paper 147.

## CLEAN AIR ACTION PROGRAM

**147. Mr. Philip:** Has the ministry yet had an opportunity to examine a proposal by the Smoking and Health Action Foundation entitled Clean Air Action Program? Is it the intention of any ministry of the government to participate in the sponsorship of the production of film and teaching aids? What action is the Ministry of Education prepared to take to make certain this program will be utilized by schools under its jurisdiction? [Tabled May 12, 1982].

**Hon. Mr. Grossman:** The Non-Smokers' Rights Association has submitted a proposal to the Ministry of Health entitled Clean Air Action Program—A Film for Adolescents by the Smoking and Health Action Foundation.

The estimated cost for production of the film, teaching kits and resource materials is \$200,000. The association has been advised that the ministry is willing to consider a proposal to share or match funding from private sources or other governments. To date, no response or proposal has been received in response to the offer.

The Clean Air Action Program proposal has not been submitted to any other ministry of the government.

## SPADINA EXPRESSWAY

**186. Mr. Cunningham:** Would the Ministry of Transportation and Communications supply the following information:

1. Is it the intention of the minister to ensure that the Spadina land transfer agreement resulting from negotiations with Metropolitan Toronto will include (a) a provision to grant a three-foot strip of land to the city of Toronto, and (b) a provision to lease to the city of Toronto ravine lands within the city for a period of 99 years?

2. Is the minister committed to ensuring that

the city's three-foot strip will be located immediately south of Eglinton Avenue?

3. Will the minister refuse to approve any land transfer agreement with Metropolitan Toronto unless it contains the three items listed above? [Tabled May 26, 1982].

**Hon. Mr. Snow:** It is the ministry's firm intention that the Spadina land transfer agreement between Metropolitan Toronto and the province be the vehicle to convey the commitments made by the Premier (Mr. Davis) in August 1975 when the decision was made to terminate the Spadina Expressway at Eglinton Avenue.

In essence, the province is committed to acquiring the Spadina lands owned by Metropolitan Toronto south of Eglinton Avenue; to lease this land, largely occupied by housing, back to Metropolitan Toronto for its housing programs with the stipulation that the land could not be used for roadway or highway purposes, and to grant to the city of Toronto the three-foot reserve across the route of the former expressway, such reserve to be held in perpetuity by the city.

With respect to the ravine lands located within the city boundary, the draft lease presented to Metropolitan Toronto in March of this year provided for the lease of these lands to the city of Toronto for a period of 99 years. In addition, this draft agreement also provided for the three-foot strip located immediately south of Eglinton Avenue, which would be retained by the province pending resolution between the city of Toronto and the borough of York and, of course, the province.

The Spadina land transfer agreement will, as the ministry has indicated previously, be in accordance with the commitments made in August 1975.

**187. Mr. Cunningham:** Is the Premier involved, or will he at any time become involved, in negotiations with Metropolitan Toronto regarding the Spadina land transfer? [Tabled May 26, 1982].

**Hon. Mr. Snow:** While the Ministry of Transportation and Communications is responsible for the negotiations, the Premier has and will continue to maintain a keen interest in this issue.

### CONSTITUTION MEDALLIONS

**193. Mr. Mancini:** How many commemorative medallions for the proclamation of the Constitution Act were produced? Who determined the manner of their distribution? What was the allotment for the Premier (Mr. Davis), each member of the executive council, each member of the government party, each member of the official opposition and third parties? [Tabled May 28, 1982].

**Hon. Mr. Wells:** 1. The Viceroy Mint Ltd., of Willowdale, Ontario, was commissioned to produce for the government of Ontario, 20,000 cupro-nickel medallions to commemorate the proclamation of the Constitution Act, 1982.

2. The commemorative medallions were distributed at the direction of the Minister of Intergovernmental Affairs.

3. The allotments were as follows: 100 to each member of the Legislative Assembly; 5,000 (approximately) to members of the public at the celebration of the proclamation of the Constitution Act, 1982, at Queen's Park, on April 17. The balance have been mailed out in response to requests received from the public, and through the offices of the Lieutenant Governor, the Premier and the Minister of Intergovernmental Affairs.

### HYDRO EXPORTS

**196. Mr. Elston:** Would the Minister of the Environment table all correspondence received by his ministry on the proposed Ontario Hydro-General Public Utilities export? [Tabled May 28, 1982].

**197. Mr. Elston:** Would the Premier (Mr. Davis) table all correspondence received by his office on the proposed Ontario Hydro-General Public Utilities export? [Tabled May 28, 1982].

**Hon. Mr. Norton:** In view of the generally accepted privilege in written communication, and in view of the inherent element of confidence in exchanges between the principals in a major business transaction, it is deemed inappropriate to table correspondence related to this matter at this time.

### HIGHWAY 401 SOUND BARRIERS

**199. Mr. Di Santo:** Will the Minister of Transportation and Communications table the following information:

1. Have funds been allotted for the construction of sound barriers on the south side of

Highway 401 between Jane Street and Keele Street?

2. What does the construction project for upgrading the highway specifically include?

3. What are the reasons the construction project announced almost three years ago is not yet in place?

4. When will the project actually be undertaken, and when is it going to be completed?

5. What is the schedule for the completion of the erection of the noise barriers? [Tabled June 1, 1982].

**Hon. Mr. Snow:** The noise barrier on the south side of Highway 401 east of Jane Street is included in the Provincial Highways Construction Projects Book 1982-83, tabled in the House on April 23, 1982, and the funds have been allotted accordingly.

2. The rehabilitation of Highway 401 in this area will include extension of the existing retaining wall to accommodate an additional eastbound lane from the east limit of the basketweave east of Jane Street to the west end of the deceleration lane to the Keele Street interchange, with associated relocation of the shoulder, drainage system, guide rail, illumination and signing. The eastbound collector lanes will then be resurfaced with open friction course (carpet seal) hot mix pavement which is quieter than conventional pavement. Also included in this contract is the erection of the subject noise barrier on the edge of the south shoulder from approximately 200 metres east of Jane Street easterly to the driver examination centre.

3. As you had been informed in letters dated October 6 and October 16, 1980, the noise barrier would be erected at the same time as the eastbound lane construction. This work is part of a multi-year program of road work improvements, bridge repairs and noise barrier erection along Highway 401, which has had to be scheduled in sequence in order to keep traffic interference at minimum levels.

4. The contract for both noise barrier and road work is currently scheduled for award later this year with completion anticipated in October 1983.

5. As the noise barriers are sequentially dependent on the road work, they will be erected in the final phase of the contract, which is scheduled for completion in October 1983 as noted above.

### UNEMPLOYED GEOLOGISTS

**200. Mr. Philip:** 1. Would the Ministry of



Natural Resources inform the House how many unemployed geologists there are in Ontario?

2. Does the minister agree with one estimation that there are approximately 500 unemployed geologists in Metropolitan Toronto?

3. Will the minister inform the House what action his ministry is taking to provide or stimulate employment for these geologists, most of whom were educated at considerable cost to the Ontario taxpayer, to ensure that this human resource is not lost as these people are forced to seek employment elsewhere? Will the minister confirm whether or not officials of his ministry are presently meeting with federal authorities to devise a "make work program" for geologists and if this program would consist of computation of existing data, mapping, regional geochemistry surveys, etc.?

4. Would the minister inform the House when this program is expected to be in place?

5. Would the minister confirm that one of the reasons such a program is not now under way is that the Prospectors and Developers Association has been asked to co-ordinate the program but has refused to do so? Will the minister inform the House what action will be taken if this association continues to refuse to co-ordinate the employment program? [Tabled June 2, 1982].

**Hon. Mr. Pope:** 1. At this time, for Ontario, the most reliable estimate (determined as a result of discussions with mineral exploration executives) is that approximately 200 geologists are not employed in their chosen profession. That does not include the recent graduates.

2. Relative to Metropolitan Toronto: no specific number.

3. Members of my staff are actively involved in formulating a program to provide bridging employment for geologists as I recognize that they represent a very valuable human resource in the province. This work is being carried out in total co-operation with the CEIC and many mining companies. The type of work being planned would involve the compilation of geological data and updating of "G" plans.

4. My staff are working as fast as possible to implement this program.

5. I am very grateful for the co-operation that the Prospectors and Developers Association has shown my staff and am impressed with their concern and interest. Discussions are still under way with PDA relative to the development of the program.

## COST OF INTERCHANGE SIGNS

**201. Mr. Samis:** Would the Minister of Transportation and Communications inform the House of the total costs involved in replacing the interchange signs on the Macdonald-Cartier Freeway? [Tabled June 2, 1982].

**Hon. Mr. Snow:** The total costs to date of replacing the interchange signs on the Macdonald-Cartier Freeway are \$27,200. Replacement costs for the remaining signs on this highway are estimated to be \$90,650, for a total estimated cost of \$117,850.

## PRIVATE INVESTIGATORS ON PICKET LINES

**202. Mr. Mackenzie:** Will the Solicitor General table the following information on each instance of which he is aware, or the OPP is aware, or any other police force is aware, of private investigators acting as undercover agents on picket lines during labour disputes:

- (a) The security or investigation firm involved;
- (b) The employer involved in the dispute;
- (c) The union or unions involved in the dispute;
- (d) The start and termination dates of the labour dispute and picket line activity;
- (e) The dates during which the undercover agent or agents carried out their activities on the picket line;
- (f) The date when the Solicitor General, OPP, or any other police officer first became aware of the presence of an undercover agent;
- (g) The date when each employer was first notified or made aware of the presence of the undercover agent;
- (h) The date when each union involved was first notified or made aware, etc., of the presence of an undercover agent? [Tabled June 2, 1982].

**Hon. G. W. Taylor:** Under the present legislation, private investigator and security guard agencies are under no obligation to notify the registrar of private investigators and security guards when they place an undercover agent.

The only incident of private investigators acting as undercover agents on picket lines during labour disputes which has come to the attention of the registrar is the recent involvement of Securicor with Automotive Hardware Ltd. As this matter is still under investigation by the Ontario Provincial Police, I cannot comment further.

## HIGH SCHOOL GRADUATES

**207. Mr. Cassidy:** For the most recent years available, what proportion of students entering general courses in grade 9 in Ontario high schools graduated with an Ontario secondary school graduation diploma at the end of four years? What proportion of these students who entered grade 9 graduated with a diploma after five or six years?

For the same period or periods, what proportion of students who entered grade 9 in advanced programs graduated with an Ontario secondary school graduation diploma at the end of four years, or at the end of a longer period? What proportion of students entering grade 9 in a modified or basic level program graduated with an Ontario secondary school graduation diploma at the end of four years, or at the end of a longer period of time? What information does the Minister of Education maintain about the retention rate of secondary schools in Ontario?

How does the proportion of students who graduate relative to those who entered grade 9 differ at present from the record of five, 10 and 20 years ago? [Tabled June 3, 1982].

See sessional paper 148.

## DISCHARGED PSYCHIATRIC PATIENTS

**208. Mr. Cassidy:** In view of the \$1-million program announced for discharged psychiatric patients in the Toronto region, what comparable programs are being proposed for the needs of discharged psychiatric patients: (a) in Ottawa; and (b) in other areas of the province? [Tabled June 3, 1982].

See sessional paper 149.

## BUDGET CORRESPONDENCE

**210. Mr. T. P. Reid:** Would the Treasurer please table all correspondence received by his ministry since May 13, 1982, requesting specific

changes to the 1982 Ontario budget? [Tabled June 4, 1982].

**Hon. F. S. Miller:** I regard the correspondence which I have received concerning the provincial budget as a matter that is private to those initiating such correspondence, myself, and often ministry staff. Such correspondence may contain information that is of a personal nature or pertains to confidential business matters. Those who wish to make their correspondence to me public of course may do so.

## INTERIM ANSWERS

**183. Mr. Wrye:** Hon. Mr. Grossman—Due to the amount of information requested in the above question, additional time is required to prepare a response. It is anticipated that a response will be tabled on or about October 29, 1982.

**192. Mr. Mancini:** Hon. Mr. Snow—The ministry will require more time to compile the required data for the response to the question. The answer will be available on or about Thursday, June 17, 1982.

**198. Mr. Philip:** Hon. Mr. Bennett—Enough time has not been provided in order to answer the above-noted question. A final response should be available by June 30, 1982.

## RESPONSE TO PETITION

## RETAIL SALES TAX

Sessional paper 122:

To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

We the undersigned most heartily oppose the recent amendment to the retail sales tax.

**Hon. F. S. Miller:** The petition focuses on matters already under debate in the Legislature. In my view, the issue raised is more appropriately dealt with in the context of the specific retail sales tax bill.



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Wiseman, Hon. D. J., Minister of Government Services (Lanark PC)







No. 80

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Monday, June 21, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Monday, June 21, 1982

The House met at 2 p.m.

Prayers.

## EMPLOYEE HEALTH AND SAFETY

**Mr. Martel:** Mr. Speaker, I have a point of order. Last Thursday I asked my friend the Minister of Labour (Mr. Ramsay) a question with respect to urea formaldehyde. He indicated to me that he would respond on Friday.

Since that time, and I am not sure where one goes with it, the minister has sent an inspector in but that inspector has told the company it does not have to make the necessary changes with respect to the ventilation in that plant because of the layoffs.

The fact there is no statement from the minister either verifying or confirming that, leaves me wondering what we are supposed to do in this province to protect workers. Despite the fact there are ministerial orders saying improvements have to be made, inspectors go in and indicate those repairs do not have to be made in view of the layoffs.

Because of the 6,500 other workers in this province faced with having to work with urea formaldehyde, I would like to know what the Minister of Labour intends to do to protect those people.

**The Deputy Speaker:** I would say to the member for Sudbury East that his point would be more appropriate during question period and he should wait for that time.

## RESPONSE TO WRITTEN QUESTION

**Mr. Renwick:** Mr. Speaker, a month ago today the Attorney General (Mr. McMurtry), in response to an inquiry of the ministry, indicated that a reply to my question would be tabled on or about May 21. It is now June 21, and I trust the Attorney General will take notice that I have not as yet got the answer which was promised.

**The Deputy Speaker:** Would the government House leader acknowledge that?

**Hon. Mr. Gregory:** Yes.

## STATEMENT BY THE MINISTRY

### SOLAR ENERGY PROGRAM

**Hon. Mr. Welch:** Mr. Speaker, may I take the

opportunity this afternoon to inform honourable members that today is referred to as Sun Day in Canada.

Whereas the weather may not be totally in agreement, today is traditionally a day to celebrate the sun. For the first time in Canada, we also have the opportunity to express our support for Sun Day, a day set aside to recognize solar energy, other renewable energy sources and energy conservation in Canada.

Here in this province we not only celebrate but we also use these energy forms all year round. That most plentiful and benign energy source, the sun, is now being used here in the province to supplement and to supplant traditional forms of energy production in a range of applications from heating homes to supplying energy for industrial processes.

Impressive gains have been made in the province in the development and use of solar energy. The Ministry of Energy has committed approximately \$4.4 million to the development of more than 100 solar energy projects in the past two years.

Our five-year, \$10-million commercial-industrial solar demonstration program, started in 1981, is the first government attempt in Canada to encourage the private sector to find and prove its own markets for solar energy. In the first year of that program, \$2 million was provided to 30 organizations. A total of 51 solar projects were designed and installed. This year we now have nearly 100 proposals under consideration. This year, also, the federal government has joined us in the program.

My ministry is working closely with other ministries to encourage the use of solar energy in provincial government buildings. We now have 30 completed solar projects in our own buildings. We are working in conjunction with Ontario Hydro on the installation of residential solar water heating systems, and we are co-operating with the Housing and Urban Development Association of Canada on the development and demonstration of passive solar heating and other low-energy building techniques.

We are also building the largest active solar project in Canada, in Hamilton. By the fall, Mohawk Hospital Services laundry will be

preheating more than half a million litres of water a day using energy from the sun. By funding demonstration projects, we want to encourage Ontario's solar industry capabilities to improve technologies and make the contacts needed to promote product sales at home and abroad.

Our solar energy program is designed to ensure that, as solar energy becomes more cost-effective and as the demand for systems and related services increases in Ontario, Canada and the world, we will have the technology and an experienced solar industry ready to respond. Ontario's solar industries are already in the forefront in Canada and should be congratulated on this particular day. Of the 26 solar manufacturers in Canada, 18 are based in Ontario. In 1981, Ontario solar industries had cross-Canada sales of \$7.2 million. This industry provides primary and secondary employment for about 900 people in Ontario.

As we reflect upon these developments, we cannot afford to overlook other alternatives such as energy from municipal waste, from forest and agriculture biomass, from microhydro installations, from wind and alternative transportation fuels. As well, energy conservation is and will remain a cornerstone of the Ministry of Energy's program. Together, these represent an enormous indigenous energy resource and we have really only begun to tap its potential. By 1995, at least five per cent of Ontario's energy will be obtained from renewable and recoverable resources. This is in addition to the 13 per cent of Ontario's primary energy currently being supplied by hydraulic power alone.

All these actions are intended to lessen our demand for oil and to encourage the development of our renewable energy resources. Sun Day offers a fine opportunity to focus on the energy mix of our future.

#### DEATH OF KIM ANNE POPEN

**Mr. R. F. Johnston:** Mr. Speaker, on a point of privilege: Two weeks ago, on June 7, I rose in the Legislature to raise my concern that the Kim Anne Popen report had still not been tabled in the House. Outside the House that day, the Attorney General indicated that the information would be made available to him from Judge Ward Allen by June 21, today, and that he would have the report to give by the end of this month. My information is that it is not ready. Only 15 of the 30 chapters are in anything like finished form. The recommendations have still not been

completed and the minister is not here to make a statement to clarify the matter.

**The Deputy Speaker:** Order. That is not a point of privilege, but I am sure the honourable House leader will take it under consideration.

#### ORAL QUESTIONS

##### TAX ON SOLAR ENERGY

**Mr. Nixon:** Mr. Speaker, the Minister of Energy's encomium on Sun Day leads me to put a question to him as to how he can justify the recently announced budgetary policy of his government, which puts a seven per cent additional tax on these facilities when that runs completely counter to the initiatives the Minister of Energy is undertaking and describing at such length and in such glowing terms to us today?

**2:10 p.m.**

In his position as Deputy Premier, could he not simply instruct the Treasurer (Mr. F. S. Miller) in the committee hearings to begin in a few days to withdraw those counterproductive taxes on solar energy and, once and for all, establish the Ministry of Energy as a ministry in which we can have some confidence in a situation which otherwise has not led us to take that decision?

**Hon. Mr. Welch:** Mr. Speaker, I really feel the opposition House leader could almost guess what the answer is. I understand there will be some committee hearings following the passage of this bill at second reading stage. No doubt the Canadian solar industry and other groups will want to appear before that committee to make any representations they want in that regard.

**Mr. Nixon:** Since the Minister of Energy is so committed to the expansion of a solar concept and solar facilities, perhaps he might either appear at the committee hearings or, being the ranking minister in the cabinet vis-à-vis the Treasurer, simply instruct him to remove that tax once and for all so these various programs could go forward.

I would like to say to the minister we have all read the ads that have gone in the provincial dailies. I am informed the ads in Toronto alone cost \$8,269. I wonder if he can explain why, in the ad which draws the attention of our grateful taxpayers to the fact this is Sun Day, he lists 15 grants to Ronald McDonald's superiors, McDonald's, and does he really feel this is the way to justify a program which is supposed to be in the best interests of all the energy consuming citi-



zens, that is, adding the toast to the sesame seed buns?

**Hon. Mr. Welch:** I think the honourable member's research people could have been a bit more accurate. It is my understanding the advertisement with respect to Sun Day appeared in some 40 provincial papers.

**Mr. Nixon:** This was just the cost in Toronto.

**Hon. Mr. Welch:** If one adds about \$1,000 to the figure the member used, that was the total cost of the entire program throughout the whole province, not just in Metropolitan Toronto.

The commercial enterprise to which reference is made in the supplementary was one of many applicants, along with the solar industries that made application under the commercial-industrial solar demonstration program. It was one of the successful applicants that wanted to demonstrate the utilization of this technology for heating water.

Many of those chains throughout the province have indeed been successful and I have been at a couple of the openings. They were part of the proposal. When one thinks in terms of the popularity of establishments such as that, it is a good indication from an educational point of view of demonstrating the use of solar energy for the purposes to which that company has put it.

**Mr. Foulds:** Mr. Speaker, will the minister not give a commitment to make a presentation before the committee? It is his ministry alone that has access to the statistics which show all the tax breaks for oil, gas and electricity in excess of the tax breaks given to the conservation and solar industries of the province, so that the solar and conservation measures, because of the taxes imposed on them—including the additional silly tax now imposed by the Treasurer on these commodities—are not as competitive as they could and should be with conventional forms of energy from a cost point of view.

**Hon. Mr. Welch:** Mr. Speaker, I hardly need to remind a person of the experience of the deputy leader of the third party that government policy has been embodied in the budgetary statement of the Treasurer. The Treasurer's budgetary statement represents the government's statement in that regard. That statement is going to the standing committee and we will have representation.

**Mr. Foulds:** These are just words then; words, nothing.

**Hon. Mr. Welch:** There is no question they are words. They represent accomplishments.

The advertisements represent accomplishments. There will be 100 more developments announced within a matter of a few days, all taking advantage of current government policy.

There is all sorts of government and taxpayers' money now in the system by way of incentives, which will continue to encourage this industry.

**Mr. Nixon:** Since the minister employs 38 people in his communications group and only 10 people in his solar section, would he not consider that members of the community at large are liable to think his commitment is more to publicity than to actually improving the use of solar energy? The Canadian Solar Industries Association has told us that the reintroduction of the tax, running counter to the initiatives of the minister, may well be the balancing factor in cutting off some solar programs now being considered.

What can we say to those people who tell us they feel the minister's commitment is one based on publicity rather than something that is going to give us a significant solar energy and alternative energy program, especially in view of the fact that the big voices in the government do not support him but have reintroduced a tax that is counterproductive to the energy policy?

**Hon. Mr. Welch:** I am quite satisfied that the people connected with that industry and in the trade, know of this government's commitment to this technology and are encouraged by the incentives that are made available.

#### TAX BURDEN

**Mr. Nixon:** Mr. Speaker, I have a question for the Treasurer, but I would like to refer it to the Minister of Education (Miss Stephenson) as well, since once again her assistance with the taxes paid by school boards would be helpful. However, I will direct it to the Treasurer since I know the Minister of Education pays attention to these matters.

Does the Treasurer recall receiving a letter signed by the chairman of the Brant County Board of Education indicating that for the remainder of this year the imposition of additional taxes will cost our taxpayers in the county \$177,382? Will the Treasurer respond in the House to the comments made by the chairman of the board, backed up by all the members?

In a community such as Brantford, and there are others such as Windsor, Chatham and so on, where there is a very high level of unemployment and increasing difficulty in meeting local taxes, there is a feeling that the Treasurer's

decision, vis-à-vis the sales tax being applied to school boards, is really applying a cruel and unusual additional burden which is unwarranted and should be reconsidered.

**Hon. F. S. Miller:** That kind of question has been asked by a number of opposition members on a number of days, where they specifically referred to their ridings. In this case, the member for Brant-Oxford-Norfolk has done much the same thing. I can only say that the Minister of Education and I are meeting with the representative body tomorrow morning.

**Mr. Nixon:** I am not sure what the representative body is. Perhaps it is the trustees or perhaps it is some other group. Since the minister's additional taxes will be applied to building materials for construction contracts, classroom supplies and equipment, as well as an extra levy for the Ontario health insurance plan, there is a feeling that this amounts to double taxation.

Will the Treasurer indicate that when he attends the hearings of the standing committee beginning next week, he will be able to give us the results of his further discussions, not the ones that took place before the budget but the ones taking place after the budget, particularly with school boards who are feeling the weight of this additional unexpected measure, one that was applied well after their budgets were established, so he can personally contribute to the deliberations of that committee in a positive and constructive way?

**Hon. F. S. Miller:** I intend to do just that when I attend the meeting to look at the bills my colleague has in his name in the House. If I am not there all of the time, I will be there most of the time during those deliberations. I understand my responsibility in that area and do not intend to shirk it under the guise of not having the bill.

To choose any date in any year when everybody's budget is about to begin is impossible. That is why we cannot have the synchronization of all those times. It is very easy to say. The member has seen this kind of event in a number of previous budgets. OHIP fees have been raised a number of times. They are not put into the cost of a school board by this government but rather by agreement between the school boards and their employees.

**Mr. Wildman:** Mr. Speaker, would the Treasurer admit that the lateness of this budget was intentional, not because he was waiting for Mr. MacEachen to do something at the federal level but because he wanted to ensure that

municipal and school board budgets were already set so that the changes would not be reflected in this year's municipal and school board budgets but would mean increases next year?

**Hon. F. S. Miller:** Really, Mr. Speaker, I give my colleague from Algoma credit for a little more intelligence than that.

**2:20 p.m.**

**Mr. O'Neil:** Mr. Speaker, I wonder if the minister would care to comment on a clause in a letter that was just mailed to him by the Hastings County Board of Education in which it says his budget "has best been described as the child tax budget as you have managed to not only tax their school supplies and school meals but their soft drinks and candy bars as well. It is disheartening to find a provincial Treasurer who feels that children should bear the burden of increased provincial taxation."

**Hon. F. S. Miller:** Mr. Speaker, I predicted in advance I would hear from every school board and every municipality in the province. No one likes the imposition of any costs to them. The fact remains that if one looks at an education budget, and the total percentage attributed to anything to which tax is applied which is paid for by the school boards, it is a relatively small share of the total budget except where they may be having a specifically large capital project in a given year. The member knows that; he knows it quite well.

I would also point out that when property tax reform was talked about in the mid-1970s, one of the basic principles in the paper which came out was that governments should pay each other's taxes. It is as simple as that.

#### TAX ON CLOTHING REPAIRS

**Mr. Foulds:** Mr. Speaker, I have a new question for the minister of confusion and Minister of Revenue. I would like to ask him about the implementation of the retail sales tax as it applies to dry cleaning repairs.

Can the minister confirm that when the budget was first announced, dry cleaning establishments were told that the tax on dry cleaning repairs was only on the labour? Can he then confirm that this was reinterpreted so that the tax was said to be on the final price: labour and cost of materials of the repair? Can he also confirm whether it is true that subsequently, Ministry of Revenue officials have told the Dry Cleaners and Launderers Institute of Ontario that, therefore, the materials purchased by the dry cleaners for repairs is tax exempt?



**Hon. Mr. Ashe:** Mr. Speaker, frankly I am not aware of the great, grandiose problem as described by the deputy leader of the third party.

In my view there has been only one set of questions and that related to whether it was or was not taxable. Frankly, at any time I have ever seen a charge for a repair bill at a cleaner's, invariably it has just said, charge for repairs: \$1 or \$2 or \$3 or \$4. I do not know what all these grandiose supplies would be unless somebody is charging for a patch, or a button or whatever.

In any event, it is not significant in my view. Everything relating to the repair, including the labour for the repair, is taxable. It has nothing whatsoever to do with and never did have anything to do with the cleaning part of any bill; just the actual repair itself and anything that would go into that repair.

Although the member opposite likes to make a mountain out of a molehill, it is quite obvious that one does not pay the tax twice. So if a vendor is collecting tax, he in turn can have tax relief from anybody through whom he buys materials and that would be a matter of clarity and clarification if that question came up.

It has not been an issue. It may very well have been a question and I think it was answered just to clarify the issue.

**Mr. Foulds:** Can the minister then tell us, in the spirit of his statement that there is not double taxation, now that he has imposed this tax on repairs and materials for repairs, which of the materials will be exempted when they are purchased by the dry cleaner? Will it be the zippers, buttons and thread that go into the repairs, or will it be the zippers, buttons, thread and the hangers, polyethylene bags, tags and so on that the dry cleaner then uses to package the repaired article? Can he tell us whether those materials, which are used by many dry cleaners for free repairs as a courtesy to their customers, will be tax exempt?

**Hon. Mr. Ashe:** The only confusion in this whole issue is obviously that which has been contrived by the acting leader of the third party. He is the only one who thinks it is a big issue. Frankly, I have not seen or heard any representations on that contrived issue before.

**The Deputy Speaker:** Answering the question.

**Hon. Mr. Ashe:** We all know that when we are talking about hangers and the plastic bag the garment comes in, those would be taxable in the hands of the dry cleaner because they are not taxable then to the recipient, the customer at

the retail level. There is nothing unclear about that. There is nothing changed about it.

On the other hand, in terms of repairs that are made to garments, in most instances these are done on a no-charge basis. If that is the policy of the particular cleaning establishment, the same thing would apply. Goods and materials that they buy they have to pay tax on because, in turn, they are not collecting it.

**Mr. Cunningham:** Mr. Speaker, it is one thing for the 400,000 people in this province who are unemployed not to be in the position to buy new clothing. Does the minister not find it just a bit mean-minded to tax repairs on the clothes they already have?

**Hon. Mr. Ashe:** Mr. Speaker, as the honourable member is aware, this is a policy issue and one that was involved in the budget by the Treasurer. As he has indicated on numerous occasions in response to questions, he looked at the whole tax field and came up with a reasonable and equitable implication of tax changes. That happened to be one of them. One can rationalize any particular issue as to what side of the argument or as to why it should or should not be taxed. In the context of services, it is just as equitable and just as fair as any other.

**Mr. Foulds:** Will the minister not agree that he has just admitted the principle of double taxation because he will be taxing the hangers on which somebody puts a pair of pants that is not being cleaned but repaired at a dry cleaners? Can he not now admit that this tax is confused and it is an administrative nightmare?

Does he know that last week the firm that is owned and operated by Sid Chelsky, who is the past president of the Dry Cleaners and Launderers Institute of Ontario, had sales of \$22,000; \$120 of that amount was in the repair area and the minister will be implementing a tax of \$8.40 on those gross sales?

If one projects that across the province, he will be gaining next year a tax of about \$56,000 in this one area. Does he not realize that the cost of getting that \$56,000, for his tax exemption that he is going to have to grant—for the number of bulletins he is going to have to send out, for reinterpreting the legislation, the cost of enforcement, the cost of monitoring—is going to far exceed that \$56,000, and does he not think it is about time he simply withdrew it?

**The Deputy Speaker:** You may answer one of the questions.

**Hon. Mr. Ashe:** I am trying to figure out which ones were questions. The first answer was

no, if the honourable member recalls what his first question was. He will have to read back in Hansard to see what was first perceived as being a question in itself.

There is no doubt, in terms of the issues raised by the member, that I am sure there will be many dissertations and otherwise at the hearings in front of the committee when it starts one week from today. Although the member refers to \$56,000 here and \$100,000 there, believe it or not, over on this side those dollars become millions of dollars and a very significant part of the budgetary responsibilities of this government.

**2:30 p.m.**

### TAX ON MEALS

**Mr. Foulds:** Mr. Speaker, I have a new question for the Minister of Revenue. The minister has justified the maladministration of the sales tax, the lack of interpretation, and the lack of clear details in his budget bulletins for more than six weeks by saying the regulations will be implemented "in the spirit of the budget."

Can the minister tell us if it is in the spirit of that budget to tax essential items? How does he justify the imposition and administration of sales tax on foodstuffs and groceries, particularly on university students? For example, how does he justify the taxation of university students in residence when they have no alternative to purchasing their food either at the residence or the cafeteria where the food will be taxed? In most cases they are not allowed to cook food in their university residences.

**Hon. Mr. Ashe:** Mr. Speaker, that question should be directed to the Treasurer (Mr. F. S. Miller).

**Mr. Bradley:** He wasn't listening.

**The Deputy Speaker:** Will the member for Port Arthur repeat the question?

**Mr. Foulds:** Mr. Speaker, I hate to use the time of question period to repeat a question when all members, particularly the Treasurer, should have been paying attention to a budgetary question. However, I will ask the question very simply.

How does the Treasurer justify the imposition of a tax on foodstuffs to university students in residence who have no alternative except to buy that food with their meal plan at the university residence or at other restaurants where it will be taxed, since in most cases university students in

residence are not allowed to cook food in their rooms?

**Hon. F. S. Miller:** Mr. Speaker, as a matter of fact I was talking about a tax measure with the Deputy Premier (Mr. Welch), while the honourable member was talking. I must admit that the member's statements, which allegedly are questions, can go on for some length and it is not too hard to lose the thread while one is listening to them. That has become one of the points.

By the way, I was curious to know whether this side should not have walked out today since neither official leader of the opposition parties was here to ask questions. It was one of those things that made us worry over here. Of course, the member would agree that his leader could be here if he had had the courage to run in Hamilton. He could have been here.

**Mr. Foulds:** The Premier is not here either. Where is he? Stop being so silly.

**Hon. F. S. Miller:** The leader could have been here today to ask the questions instead of having the deputy leader ask them.

One of the differences between policy and detail is to find out in the course of writing regulations where inconsistencies or unfair treatment occurs. It is not new this year. The member is making a lot more hype about it this year.

**Mr. Foulds:** It is a lot more obvious this year.

**Hon. F. S. Miller:** It is not. The member will be surprised to find that we have simply put back in the base things that previously were taxed. I am sure the committee, when it starts sitting next Monday, will want to see how many of these items have attracted tax in Ontario at some time. I do say this, though: Obviously the committee will be a useful exposure to all of us to see whenever—

**Mr. T. P. Reid:** You have a lot of nerve.

**Hon. F. S. Miller:** I ask the honourable member to sit down. I want to say that exposure was always there for the government. What I was going to point out was that, for a change, members will hear some of the conflicting reasons given by people in the same business about the same tax. They will discover these clear, cut-and-dried, easy-to-solve problems are not that easy, which is exactly why we have always listened and always will listen following the presentation of any budget.

**Mr. Foulds:** Can the Treasurer justify the additional cost of \$65 to \$75 the government has loaded on to a student at Queen's University,



\$100 in the University of Toronto, \$90 in Lakehead University and \$100 in the University of Western Ontario, when the government has already increased student fees by 12 per cent, which for a student in the University of Toronto, for example, means an additional \$146 in fees? How does he justify the additional cost of \$250 to the average student in Ontario today through this budget?

**Hon. F. S. Miller:** The member talks of dollars without referring them in any way to inflation. I think the fact that we pay five sixths of the cost of post-secondary education in Ontario through the tax system is not bad. I think we give our students in Ontario a very fine assistance program. I think the Minister of Colleges and Universities (Miss Stephenson) through the—

**Mr. Foulds:** Why are you taxing their food?

**Hon. Miss Stephenson:** Stop roaring. You sound like a bull.

**Mr. Foulds:** You are discriminating against those in residence.

**Hon. F. S. Miller:** Just sit there. The fact is that not every student at every university is in a residence. There are those who do not pay that tax. If the member were to count them, I think he would find that there are as many not paying it as paying it.

**Mr. Conway:** Mr. Speaker, is the minister in possession of data that would either confirm or deny the data just presented to the House by the deputy leader of the New Democratic Party? Can he confirm or deny that the impact for those students in residence with no choice, given the nature of most meal plans in our residences, is in the order of \$50 per semester and \$100 per school year?

Is the Treasurer prepared to indicate to the university students in residence in this province that he will entertain representations on their behalf to possibly alleviate a discrimination that is certainly going to add to their already significant financial difficulties?

**Hon. F. S. Miller:** Mr. Speaker, no, I cannot confirm the accuracy of the figures used by the deputy leader of the third party. I assume when a member of this House stands up and uses figures that they have been at least researched to some degree, sometimes coloured, but I am not taking any exception to his figures today. I will assume they are correct until I am shown they are not correct.

**The Deputy Speaker:** Order. Just answer the question.

**Mr. Foulds:** On a point of order, before I ask my supplementary: We have the notices being sent out by the universities that clearly itemize the tax the students are having to pay.

**The Deputy Speaker:** Question.

**Mr. Foulds:** Will the Treasurer not withdraw the sales tax on food purchased by students at university residences because it is discriminatory? Does he not realize it is discriminatory in two ways vis-à-vis other university students? He has already recognized the principle of unfairness by saying the prepared meals in nursing homes and homes for the aged, for example, should not be taxed, because the people in those institutions have no alternative but to purchase the food in those institutions. Similarly, university students have no alternative but to purchase food in those institutions, or at another institution where it is taxable, such as a restaurant. They do not have the option of buying groceries and preparing their own meals. Will he not now withdraw that tax on those students?

**Hon. F. S. Miller:** I hope the member realizes that I set out certain principles in my budget. The Minister of Revenue quite properly sent the member back to me for principles. I will be listening to all the details in the committee hearings. If I do not find some inconsistencies during the committee hearings, as I find every year—

**Mr. Cooke:** The tax went into effect on June 14.

**Mr. Foulds:** You are charging the tax to the students now.

**Hon. F. S. Miller:** Please listen and hear what I say. If I do not find some inconsistencies that should be corrected in those hearings, I will be surprised. I have, every year I have been Treasurer, as every other Treasurer has, and we have taken those steps. The idea that somehow the committee is doing something that has not occurred every previous year is wrong.

#### TAX ON FEMININE HYGIENE PRODUCTS

**Mr. Epp:** Mr. Speaker, I have a question of the Treasurer. Surely the Treasurer is aware that one of the most contentious issues that has come up with respect to the budget is the imposition of the tax on feminine hygiene products. I am going to ask the Treasurer two questions.

**The Deputy Speaker:** No. Ask him one, and you can have a supplementary on the other.

**Mr. Epp:** I have two simple questions. First, does he believe that tampons are not essential in today's modern society? Second, will he save the committee valuable time and his Tory colleagues further embarrassment by standing in his place today and announcing he will remove the tax on those products?

**Hon. F. S. Miller:** Mr. Speaker, we have made an agreement through the House leaders to sit next week. I am not changing anything until I sit next week.

**The Deputy Speaker:** I should not allow the member a supplementary, I know, but I will.

**Mr. Epp:** Since the Treasurer has indicated he is going to defer the decision to the committee, will he ask the whip not to apply the whip to his committee members and permit a free vote among the committee members so they can make a decision based on conscience and on the kind of support they are getting from the electorate out there to remove the tax on those products?

**Hon. F. S. Miller:** Mr. Speaker, I would like to stress that (a) we will have a whipped vote and (b) it will reflect the conscience and problems of the people of Ontario.

2:40 p.m.

#### EMPLOYEE HEALTH AND SAFETY

**Mr. Martel:** Mr. Speaker, I have a question for the Minister of Labour. I am sure the minister is aware of the provisions of the Occupational Health and Safety Act which indicate that every precaution must be taken to ensure the health and safety of workers. The decision by Judge Nosanchuk last week indicates that those sections of the act will no longer apply, particularly when they deal with toxic substances.

There are two statements in his decision, "There was no medical evidence called at the hearing indicating any ill effects actually suffered by Mr. Milburn, although it was generally conceded that asbestos-related diseases, if they are contracted, would not develop for a period of 10 to 15 years." Secondly, the court pointed out, "The medical evidence is conflicting and the court is not prepared to find, having regard to the duration and intensity of the exposure, that risk to health has been demonstrated beyond a reasonable doubt."

Does this decision not indicate that there is no protection for the workers and that there is a

major flaw in the Occupational Health and Safety Act?

**Hon. Mr. Ramsay:** Mr. Speaker, I believe I answered exactly the same question in response to the member for Hamilton East (Mr. Mackenzie) last week. I answered it in some detail and referred to the actual statement made by the judge. I also referred to the appropriate places in the Occupational Health and Safety Act that do protect the workers.

**Mr. Martel:** Obviously they did not protect the workers, because this is the ruling that came down. Let me ask the minister, does he intend to appeal the decision? Also, since there are thousands of chemicals coming on the market, approximately 1,000 each year, and in view of the fact that the minister does not have any regulations with respect to any of them, is he prepared to change the act so that it reads, "The onus is on the employer to prove the new substances are safe," rather than as it is at present, that workers must prove their health is at risk? Otherwise, there is no protection for the workers.

**Hon. Mr. Ramsay:** I do not agree with the honourable member, again referring to the content of the act. I have no plans at this time to change the act. I feel it adequately protects the rights and safety of the workers.

#### VISITOR

**The Deputy Speaker:** Before I recognize the member for Lakeshore (Mr. Kolyn), I think all members of the Legislature will want to welcome Mr. Russell Rowe, a former colleague and, of course, a former Speaker of the Legislature, along with his wife, Marjorie, and Mrs. Yvonne Carruthers, wife of a former, long-standing colleague of this House.

#### TEACHER-BOARD NEGOTIATIONS

**Mr. Kolyn:** Mr. Speaker, I have a question for the Minister of Education. In the Toronto Sun this morning I read an article on Metro-wide bargaining written by Harvey Currell. Also, in the Toronto Star editorial section this afternoon, I read an article on the same subject. Can the minister say whether the facts stated in the article in the Toronto Star are accurate?

**Hon. Miss Stephenson:** Mr. Speaker, the simple answer to that question is no.

**Mr. Kolyn:** When do we hope to introduce Bill 127 for second reading?

**Hon. Miss Stephenson:** It is my understanding that it will be debated. Second reading will be



some time this week, probably on Wednesday. I most certainly hope there will be an opportunity at that time to demonstrate clearly the flawed interpretation of Bill 127 which appears as an editorial in the *Toronto Star*. There is so much in that article, which is absolutely as far from the truth as it could possibly be, that I wonder how any responsible editorial board could have made those statements without ever talking to either the minister, the deputy minister, any of the assistant deputy ministers or any of the senior officials within the ministry.

**Mr. Bradley:** Mr. Speaker, to clear up the confusion in the minds of many people in this province, particularly in Metropolitan Toronto, can the minister give an undertaking publicly that there will be full hearings in which the public can become involved during the month of September and even during the evenings? Is she prepared to give a firm commitment to the House right now that she will support this?

**Hon. Miss Stephenson:** Mr. Speaker, I think I have stated publicly on several occasions, certainly in estimates, that I would refer the bill to committee for hearings and that the suggestion that the committee should have hearings at night is perfectly acceptable to me.

I really only question whether it would not be sensible to have one half of the hearings during the additional time we will be spending as members of the Legislature in sittings within this Legislature. The first week of July, which I believe begins on the fourth or fifth, I think is an appropriate week for at least one week of the hearings on that bill. I can see no reason at all why we should not consider that seriously, since the vast majority of the people who have expressed concern are obviously not going to be very far from the city of Toronto at that point.

**Mr. McClellan:** Mr. Speaker, is the minister not aware that the House leaders have agreed to have hearings in September? Is she repudiating the decision reached by the House leaders?

**Hon. Miss Stephenson:** Mr. Speaker, as usual, the member for bell-ringing Bellwoods is obviously well off the track. He does not have any idea what he is saying. I am not repudiating anyone; I am asking a question about whether it would not be sensible to proceed with the initial hearings on Bill 127 during the first week in July.

**Mr. McClellan:** The answer is no. Talk to your whip.

**Hon. Miss Stephenson:** I simply suggest that it is, I suppose, such a logical and rational request that it would be denied by the third party.

## APPLICATION OF TAX

**Mr. Bradley:** Mr. Speaker, I have a question for the Minister of Revenue. I would like him to help me clarify a matter that has come to my attention from several of my constituents who are concerned about it.

Since it is my understanding that when items are purchased outside the province, the Ontario sales tax must be paid—and I am wondering whether it would apply to labour as well—will the minister inform us whether sales tax will have to be paid on an item that is being worked on at present as far away as 2,000 miles, in the state of Texas, the \$10.6-million jet? Will the extra items being placed in the jet at present and the labour that is being performed in Texas be subject to the Ontario sales tax? Or does the government exempt itself from that which it forces others in the province to pay?

**Hon. Mr. Ashe:** Mr. Speaker, I understand that many of those same questions were addressed last week in the Ministry of Natural Resources estimates, but the honourable member who posed the question did not take advantage of the opportunity to be there and listen to the answers. That is par for the course, particularly for that member. In that regard he comes very close to a member two seats over from him.

**The Deputy Speaker:** All right. All right.

**Hon. Mr. Ashe:** He is here from time to time when it suits his purpose.

**The Deputy Speaker:** We all want to know.

**Hon. Mr. Ashe:** This question is unrealistic. The member knows darned well that in government, whether one is putting something into one pocket or another is neither here nor there, to start with; in fact, when one is talking about goods and services that are brought into the province for consumption within the province, they are taxable.

In the particular issue involved, I am not quite sure exactly what the member is talking about, whether it is the labour component that he is referring to or not; it is rather unclear. But it really does not matter whether it is taxable or not, because we would be paying it to ourselves.

**2:50 p.m.**

**Mr. Bradley:** I am pleased to have the minister tell the House that he is going to treat his own government differently from the boards of education and the municipalities.

Has the minister considered attempting to implore his fellow cabinet members to avoid some of the problems he has in administering

this tax, the complications in the tax that are going to garner some smaller revenues for him? Has he indicated to the cabinet that much of this problem could be solved if the cabinet would make a decision to sell the jet?

**Hon. Mr. Ashe:** As usual, an irresponsible question from an irresponsible member, and not worth an answer.

**Mr. Breaugh:** I was interested, Mr. Speaker, in the minister's reply that it does not make sense for a government to tax itself. Would he care to apply that same principle with this whole sales tax provision to other levels of government, like school boards and municipalities? If it does not make sense for the minister to tax one pocket and take it out of the other, why does it make sense to apply that same principle the other way around to other levels of government, such as municipalities?

**Hon. Mr. Ashe:** Mr. Speaker, that is not what I answered before. If the honourable member will check back in Hansard, he will find that I said that if we do pay tax it is transferring it from one pocket to the other; it is our own—

**Mr. Foulds:** Oh, you said it did not much matter.

**Hon. Mr. Ashe:** Yes, because it is from our own pocket, one to the other. In this instance we are transferring it from one pocket to the other: we are paying tax to ourselves; so it really does not matter.

What the member is referring to is other levels of government, and I think that, as both my colleagues the Treasurer and the Minister of Education have already noted on more than one occasion, there are many other aspects of the funding regulations to municipalities and others within this province that have recognized their legitimate needs; and, in fact, the Treasurer similarly has legitimate needs of which they have to pay part.

#### NIAGARA ESCARPMENT COMMISSION

**Mr. Swart:** Mr. Speaker, my question is to the Provincial Secretary for Resources Development. Perhaps he will recall that last December 10 I questioned the Premier (Mr. Davis) about an order in council that prematurely terminated the appointments of four pro-conservationist members on the Niagara Escarpment Commission on August 31 of this year. They were, as the provincial secretary will recall, Bateman, Lowes, MacArthur and Brechin.

Perhaps he will also recall that the Premier said he would reconsider those terminations.

That was six months ago, and it is now just some two months until those appointments run out. As the minister responsible for the Niagara Escarpment Commission, will he tell us now whether they are going to be reappointed for another year to fill out their terms so as to provide experience and balance while the Niagara Escarpment Commission is finalizing its plan for the escarpment?

**Hon. Mr. Henderson:** Mr. Speaker, as the honourable member suggests, these appointments are not up for reappointment until August. They will be looked at and studied, and the appointments will be made in August. I am not ready at this moment to say who will be appointed.

**Mr. Swart:** Will the provincial secretary recall that the Premier himself, in a letter dated October 14, 1981, wrote to Mrs. Lyn MacMillan, the president of the Coalition on the Niagara Escarpment, saying: "One does not initiate a sudden change in the membership. I recognize that the commission has some tough decisions to face when the hearings are over and the hearing-officer reports are submitted. I would suggest that in those circumstances it is better to have a team which possesses knowledge and experience."

Would that not indicate to the provincial secretary that the Premier favours these reappointments? And is it not true that the provincial secretary is just stalling these reappointments until after the House adjourns, and then he is going to remove the pro-conservationist members and put on pro-development members in their place?

**Hon. Mr. Henderson:** It is easy to see that the member does not know what he is talking about. Yes, I am fully aware of the letter the Premier wrote and signed. I met with Mrs. MacMillan a few days ago, and we talked about these four appointees. What I have really said was that it has not been before the cabinet for any decision to be made.

#### TAX ON NONPROFIT ORGANIZATIONS

**Mr. Eakins:** Mr. Speaker, I have a question of the Treasurer. Does he not realize that if he were to exempt nonprofit tourist organizations from paying retail sales tax on their promotional brochures rather than charging them tax on those, it would mean a difference of something like \$40,000 annually for a group such as the Metropolitan Toronto Convention and Visitors Association and that this money could then go



to further promote Ontario, bringing in more tourists, more revenue and more tax dollars for the Treasurer?

**Hon. F. S. Miller:** Mr. Speaker, the words "nonprofit organizations" are sometimes hard to relate to the purpose of the organization. I find that if an organization representing profit-making entities is carrying out an advertising campaign, it should be just as taxable as if the component people did the same. I find it a bit difficult to assume that one should be able to form an association, allegedly nonprofit, for profitable interests and avoid the tax.

I would also argue, knowing the member's riding is similar to mine, that there are many groups calling themselves nonprofit camps, etc., which are very profitable. They charge the same prices and are avoiding not only my taxes at times but also the municipal taxes of some of the townships that can barely afford it.

**Mr. Eakins:** Does the Treasurer not see the irony here? Does he not see that it is the same tourist organizations he forces to pay retail sales tax on promotional literature to which he gives money in the form of provincial grants to promote Ontario? Does he not realize that he would permit such organizations to bring in even more tourists to the province if he did not tax them on some of their funding with his retail sales tax policies?

**Hon. F. S. Miller:** That is not inconsistent at all. Buses and all kinds of materials that are purchased by tax-paying organizations or grant-receiving organizations do attract tax. I would like to point out one thing. It is very often much easier, and this has been agreed by the federal and provincial governments in their own dealings, to charge each other taxes and have them in the prices rather than to have very complicated bureaucratic processes to either recover them or exempt them.

### JOB CREATION

**Mr. Cooke:** Mr. Speaker, I have a question of the Treasurer. Is he aware that in cities that now have been suffering from high unemployment for a long period—such as the city of Windsor, which are reliant on one industry, namely the auto industry—because of the deepness of the recession and depression in those areas, the number of people that are having to apply for welfare, and the types of cases, have switched?

For example, in March, 807 non-auto employees applied for welfare in the city of Windsor while only 40 auto workers applied. The indus-

try and labour adjustment program, which is the federal program to help these hard-hit communities, assists only those in the auto industry.

I wonder whether the Treasurer will now reconsider his rejection of our proposal before the budget to set up a community adjustment program? Will he reconsider this and institute a community adjustment program to help job creation for these people?

**Hon. F. S. Miller:** Mr. Speaker, one of the questions I often get from the honourable member relating to this kind of problem is about the unfairness of multinationals working within our jurisdiction and the unemployment they create in the process. I think that is a similar problem. I have not noticed the member saying too much about that lately.

If it were not for the fact that we were exporting a lot of vehicles to the United States because their market has recovered and ours has not—which, by the way, indicates the total inability of the Liberal government in Ottawa to govern the economy of this country—we would have a lot more problems in the cities that depend on the auto industry. We are in that fortunate time right now of shipping out more than we are bringing in. We have a surplus, as the member knows. The fact is I am not currently reconsidering that.

**Mr. Cooke:** I would like to point out that I spoke with the welfare officer in Chatham. She explained to me that the same problem is occurring in Chatham, where most of the people who are having to go on welfare are non-auto workers, and it is not because of a recovery in the auto industry but because the depression has sunk through to the retail and service sectors.

I also wish to ask the Treasurer whether he is aware that for the city of Windsor to participate in his job creation program, whereby it got \$1.5 million, the city would have to spend an additional \$900,000 of its own money, according to both the mayor and the finance commissioner? Does the Treasurer not realize that this means a great number of municipalities will not be able to take up this money and jobs will not be created? Will he change the program now and indicate that both labour and capital costs will be included in his job creation program?

3 p.m.

**Hon. F. S. Miller:** Mr. Speaker, I do not know the ratios in the various communities. The honourable member tried that once before asking did I fairly see there was an allocation,

knowing my colleague had done it on the basis of general welfare assistance cases. That is what the allocation was, I understand, for that assistance program.

Projects can be chosen by the municipalities and submitted, I assume, to the minister for approval but 100-cent dollar grants do not necessarily make for efficient use of money. Obviously, municipalities can vary greatly in the material content in the various undertakings they could propose. I would suggest to the member that most municipalities would far rather see people out there doing necessary jobs in the municipality, earning some of our money, some of their money, than simply drawing GWA.

**Mr. Wrye:** Mr. Speaker, surely the Treasurer realizes the point we are getting at is that the depression and the recession in cities such as Chatham, Windsor, Brantford and others has gone so far that every sector of those communities is now feeling the pinch. Surely he realizes that the renter-buy program is of absolutely no use in such communities as Windsor, where there are barely two dozen housing starts that even qualify, and that his tax forgiveness for small businesses is virtually useless in Windsor and Chatham because there are no businesses that are making money.

What specific programs does the Treasurer have for such communities as Windsor, Chatham, Brantford, and others which have been hardest hit by the recession and which will get so little help from even the so-called good aspects of the Treasurer's budget? What is he going to do to help them? Why does he not consider adding on capital as well as labour, at least in those communities, for short-term job creation?

**Hon. F. S. Miller:** Mr. Speaker, I answered the last part a moment ago. There has to be some contribution from municipalities. They can design their projects but anything that gives away 100-cent dollars is abused.

Second, I question whether the member is accurate when he says no small businesses in those cities are making a taxable profit and no one is benefiting. I suggest to him that of the \$2-million worth of undertakings—if that is the amount in Windsor—that is going on, being the sum total of our contribution and the chosen amount by the municipality—if he tells me that is not helping people get back and earn a living, then I do not know what is.

#### HOUSING FOR EX-PSYCHIATRIC PATIENTS

**Mr. Ruprecht:** Mr. Speaker, I have a question

for the Minister of Community and Social Services. What is the minister's response to the recommendations of the report entitled *The Housing Gap: Deficiencies in Appropriate Housing for Ex-psychiatric Patients*; in particular, the recommendation that his ministry should increase the allowance rate for discharged psychiatric patients and that the shelter supplement be mandatory for this group?

**Hon. Mr. Drea:** Mr. Speaker, I am very sympathetic. However, I am not too sure the solutions proposed by the member for Parkdale would not do anything more than create a welfare state for some of the landlords now.

**Mr. Ruprecht:** That really surprises me, but I will go on to the next supplementary before I break out and make another statement I would regret later.

**Mr. Breaugh:** Don't chicken out; say it.

**Mr. Ruprecht:** That member wants me to be thrown out, does he not? Yes, it is unbelievable.

As the minister knows, the maximum allowable benefits for a single, unemployable person on general welfare assistance and under the Family Benefits Act are \$288 per month and \$364 per month respectively. Is the minister aware that well over half of the patients discharged during a two-week period earlier this year from the Clarke Institute and from the Queen Street Mental Health Centre depended on either GWA or FBA as their only source of income?

Given that this must cover all their necessary expenses including housing, food, clothing and transportation, and in view of the fact that housing costs alone in Toronto can eat up half of that supplement at best and over 80 per cent of it at worst, how does the minister expect these people to live even at minimum standards? Could he provide himself with the necessities of life on \$288 a month?

**Hon. Mr. Drea:** To put the matter into perspective, many months ago I met with the chairman of Metropolitan Toronto, my good friend Paul Godfrey. This was long before the member for Parkdale discovered there were any ex-psychiatric patients having housing problems, by the way.

It was our concern that mere increases in allowances would not begin to meet the particular shelter demands of many of the more difficult of the discharged cases from the Queen Street Mental Health Centre and, to a lesser extent, from the Clarke Institute.



It is a matter of record that my ministry, the Ministry of Health and the Ministry of Municipal Affairs and Housing have been working together for some time to come to grips with a program that would do two things; not merely provide shelter but provide a community support service for patients leaving either one of those institutions.

It is a matter of record that my colleague the Minister of Health (Mr. Grossman) started to put that on the line—

**Mr. Martel:** Shout a little louder.

**Hon. Mr. Drea:** —and the member's former friends on the Toronto council wanted no part of it. If the member wants to say there should be a new shelter arrangement for ex-psychiatric patients, then he should go to see his old council colleagues, particularly one of his friends, before he does so.

**Mr. R. F. Johnston:** I found it difficult to hear the minister, but I think I see a supplementary here.

**Hon. Miss Stephenson:** Oh, I don't believe you. You're deafened because you sit beside the member for Port Arthur; that's the problem.

**Mr. R. F. Johnston:** The problem is trying to catch the Minister of Education's interjections.

Mr. Speaker, the Minister of Community and Social Services says that just increasing the rates for people on general welfare assistance will not meet the social needs of ex-psychiatric patients of the Queen Street Mental Health Centre or the Clarke Institute. I could not agree more. However, would the minister not agree that it would go some distance to helping? There has not been an increase since January 1981 except for the shelter allowance of a maximum of \$50.

Will the minister be recommending an increase to the cabinet of at least the cost of living and some catch-up? Will he be using in his argument the fact that the doctors got a great catch-up of \$13,000 a year? Does the fact that the minister has put his glasses on indicate he is going to give me a negative answer?

**Hon. Mr. Drea:** I will take them off. As the honourable member knows, I have been reviewing all the aspects of the GWA rates.

**Mr. Kerrio:** Speak up.

**Hon. Mr. Drea:** It is a matter of knowledge to the member who asked the question and to the one who has difficulty comprehending the answer that we have been reviewing the GWA rates for some time. When I have finished reviewing them, they will know the answer.

## MAYFAIR APARTMENTS

**Mr. Cassidy:** Mr. Speaker, I have a question for the Minister of Consumer and Commercial Relations. Is the minister aware of the situation at the Mayfair Apartments, which is in my riding of Ottawa Centre? It is an apartment building in exceptionally sound condition where the tenants, many of them elderly, have been told they must get out by October in order that the plumbing may be replaced. The landlord proposes to create what he is calling "a co-operative ownership company" and the tenants will have to pay \$60,000 in order to get back into the apartments they formerly occupied.

Since this is an obvious attempt to evade the condominium conversion bylaw of the city of Ottawa, what action is the minister prepared to take to stop this obvious abuse of provincial and local legislation?

**Hon. Mr. Elgie:** First, I am not aware of the situation. Second, I suspect it is a matter that comes under the Landlord and Tenant Act.

**Mr. Cassidy:** Is the minister prepared to intervene to stop the landlord from using the Landlord and Tenant Act in order to wrongfully evict tenants whose only sin is that they have been there for a very long time? They have been decent, ordinary tenants. Is the minister prepared to move to ensure that no landlord is allowed to make these renovations unless it can be proven they are required and unless the agreement about how they will be handled is negotiated with the tenants rather than it being imposed upon them?

**Hon. Mr. Elgie:** As I hope the member is aware, the Landlord and Tenant Act does not come under the Ministry of Consumer and Commercial Relations. However, I am sure the Attorney General (Mr. McMurtry) heard the member's comments.

3:10 p.m.

**Mr. Cassidy:** On a point of privilege, Mr. Speaker: Since that question has been redirected, could we have a response from the Attorney General?

**The Deputy Speaker:** The minister never actually redirected the question. He said it could be asked of the Attorney General. I want to tell the member for Ottawa Centre I was stretching question period a little to get in his supplementary. With that consideration—

## AUTOMOBILE PURCHASE

**Mr. Breaugh:** Mr. Speaker, I want to raise a

point of privilege on your behalf. I know you cannot do it because you are in the chair, but you must consider it quite a slur that the Super Loto has announced a thousand domestically produced automobiles from every other major producer except General Motors. Those automobiles will be produced here in Ontario and for GM they will come from out of the province.

I know you regard that as a slur on your ability to represent the great area of Oshawa Mr. Speaker. I am sure you would want to have that on the record.

**The Deputy Speaker:** I am sure the minister in charge would like to respond.

**Hon. Mr. Baetz:** On the point of privilege, Mr. Speaker: The plan announced today is under the auspices of the Interprovincial Lottery Corp. which includes Loto-Québec. All of the other cars that are being given away, 1,000 of them, are being manufactured in Ontario, but the GM product is being manufactured in Ste. Thérèse, Quebec. Ontario will be manufacturing the lion's share of the cars being given away and it is no slur on you or anybody else, Mr. Speaker.

#### RESPONSE TO ORAL QUESTION

**Mr. Martel:** Mr. Speaker, on a point of order: At the beginning of question period I rose on a point of order to indicate I had not received a reply from my friend the minister of Labour (Mr. Ramsay). That has subsequently arrived. The reason I raise this matter is, when we place oral questions and the response is written, there is no opportunity to have a supplementary. I would have liked to have asked the minister why his inspectors have obviously told him that the ventilation has been cleaned up. We know that as of last night that has not occurred. I am bringing this up to indicate to ministers that maybe they should reply orally in the House so we can have supplementary questions in the appropriate way.

#### PETITIONS

##### TAX ON FEMININE HYGIENE PRODUCTS

**Mr. Epp:** Mr. Speaker, I have here a petition signed by at least 5,300 people from Ontario regarding feminine hygiene products. I regret very much that the Treasurer (Mr. F. S. Miller), who was well aware this petition was going to be presented today, is not here right now. He slipped out a few minutes ago, obviously embarrassed that these signatures would be going to him.

Over a period of four weeks this petition has

been gathered by some hardworking women of this province who work full-time on other matters; particularly Barbara Saunders who is from my home riding of Waterloo North. Together, they have assembled at least 5,300 signatures. They expect to get another thousand within the next week or so. They have had hundreds of phone calls and a lot of correspondence.

It is with some pleasure I present this to the Deputy Premier (Mr. Welch). I hope the Deputy Premier will pay attention, take these signatures, give them directly to the Treasurer and refer them to the committee. There is a lot of concern here and these ladies hope to appear before the committee when it meets next week.

##### TAX ON FOOD PRODUCTS

**Mr. Cooke:** Mr. Speaker, today, I have two petitions to present: one with 2,100 signatures that was organized by the owner of One Maiden Lane Restaurant in the city of Windsor that reads as follows, "We, the undersigned, oppose the seven per cent retail sales tax on food products."

The second petition I have is one I put together myself in response to the hundreds of calls that have come in to all MPPs' offices. At this point we have 1,250 names returned and more will be coming. It reads as follows, "To the Lieutenant Governor in Council: We, the undersigned, oppose the extension of sales tax introduced by the Ontario government in the May 13, 1982, budget."

##### TAX ON CLOTHING REPAIRS

**Mr. Worton:** Mr. Speaker, I wish to table a petition addressed to the Treasurer (Mr. F. S. Miller). It is against the sales tax that imposes charges on repairs and alterations to clothing. It says, literally, that this new tax is burning a hole in the people's pocket. I present this to him.

**Mr. Breagh:** Mr. Speaker, I wish to table two petitions, one from the customers of Modern Dry Cleaners and Draperies Ltd. and the other from the Tawco Coin Laundry and Dry Cleaning Centre, in Oshawa, with 112 names in total, protesting the imposition of the sales tax on cleaning and repairs.

#### REPORT

##### ANNUAL REPORT, LEGISLATIVE LIBRARY

Mr. Cureatz, on behalf of Hon. Mr. Turner, presented the annual report of the legislative



library research and information services for the year ended March 31, 1982.

## INTRODUCTION OF BILLS

### RESIDENTIAL MORTGAGE RELIEF ACT

Mr. Renwick moved, seconded by Mr. Laughren, first reading of Bill 151, An Act to provide temporary relief to Mortgagors of Residential Property in Ontario.

Motion agreed to.

**Mr. Renwick:** Mr. Speaker, the purpose of the bill is to protect home owners in their homes by providing a moratorium until March 31, 1984, on court proceedings for foreclosure exercised for power of sale or recovery of payments for principle and interest under a residential mortgage, and by providing that any residential mortgage coming due before March 31, 1984, shall continue in effect with the same terms and conditions until that date if the mortgagor so requires.

This is an identical bill, updated, to a bill which I first introduced on March 13, 1980, and again on December 14, 1981. The reasons are that interest rates on residential mortgages are again reaching unprecedented levels. Pressure is continuing on the upward movement of interest rates.

Many mortgagors must refinance within the next nine months and this bill, if passed by this assembly, would provide relief during this period of uncertainty until appropriate economic policies can be put in place to alleviate the current emergency situation.

### REPRESENTATION AMENDMENT ACT

Mr. Breaugh moved, seconded by Mr. Swart, first reading of Bill 152, An Act to establish the electoral district of Queen's Park.

Motion agreed to.

**Mr. Breaugh:** Mr. Speaker, the bill provides a special constituency, to be known as Queen's Park, for the Speaker of the Legislative Assembly of Ontario. The Speaker's term would continue through two successive Legislatures beginning and ending at mid-session. The total number of members would consequently be increased by one. I might say this may take a little while to simmer through the honourable members' minds, and it will be my next ballot item.

**The Deputy Speaker:** We will all take much interest in it.

3:20 p.m.

## BUSINESS OF THE HOUSE

**Hon. Mr. Gregory:** Before the orders of the day and on the order we are calling, Bill 115, An Act to amend the Retail Sales Tax Act, it was agreed by the House leaders and whips we would distribute the time among the parties so the government party would have approximately one hour and the balance of the time would be divided equally between the opposition parties.

**Mr. Nixon:** Two hours each.

**Hon. Mr. Gregory:** I assume that is still the agreement.

**Mr. Nixon:** That's agreed.

## ORDERS OF THE DAY

### THIRD READING

The following bill was given third reading on motion:

Bill 144, An Act to amend the Provincial Courts Act.

### RETAIL SALES TAX AMENDMENT ACT

Hon. Mr. Ashe moved second reading of Bill 115, An Act to amend the Retail Sales Tax Act.

**The Deputy Speaker:** For further clarification, I notice under the orders that the bill is going to continue this evening. Does that mean that this evening the time will also be split between 8 p.m. and 10:30 p.m.?

**Hon. Mr. Gregory:** Yes, Mr. Speaker, up until 10:15 p.m. I understand the vote will take place at 10:15 p.m.

**The Deputy Speaker:** Is it one hour for the government side and that is it? Is it at the end?

**Mr. Nixon:** At the end or whatever they want.

**The Deputy Speaker:** It is a total of one hour for my honourable colleagues on my right and the rest of the time is split between all those honourable colleagues on my left. The Minister of Revenue (Mr. Ashe) has a statement.

**Hon. Mr. Ashe:** Mr. Speaker, I have an 80-page statement to use up some of that time.

This bill will amend the Retail Sales Tax Act to implement the proposals contained in the Treasurer's budget of May 13, 1982. The changes will result in a broadening of the tax base and a lowering of the tax rate as it applies to some prepared meals and transient accommodation. As well, the bill contains a number of amendments which are designed to improve the administration of the tax and to safeguard tax revenue for the province.

The Treasurer (Mr. F. S. Miller), in his budget

speech a year ago on May 19, 1981, indicated something many members may have forgotten: the tax structure as at present constituted was not providing the revenue required to meet the needs of the province. One measure to be undertaken would be a review of the retail sales tax base.

This year, the need is even greater as the government responds to demands to help the people of this province cope with the difficult economic conditions facing all of us. As a result, a review of the retail sales tax base has been carried out. This review resulted in the elimination of a number of exemptions which currently exist, changing the application of certain other exemptions and extending the tax to some areas not previously taxed.

Trees, shrubs, bushes, seeds and plants, all exempted in 1973, will now be exempt only when they are purchased by someone engaged in the business of farming.

Certain exemptions are being removed: those for personal hygiene and household cleaning products which had been in effect since 1974; street flushers, street sweepers, classroom supplies, student supplies and household pets, exempted in 1973; clothing patterns, textiles and trimmings exempted in 1979; and smoke alarms which were also exempted in 1979. Magazines will only be exempt when purchased by subscription or when distributed without charge.

As well, materials used in the construction of hospitals, nurses' residences, schools, universities and capital works of municipalities and local boards will no longer be exempt, nor will buses or their repair parts purchased by municipalities. Such materials as storm doors, storm windows and thermal insulation will now be taxable.

The exemption threshold for candies, confections and soft drinks will revert to 20 cents from 49 cents, as was the case prior to 1979. All other snack foods will become taxable. Also, the \$6 exemption level for prepared meals will be withdrawn and all prepared foods, including all meals with certain exceptions, will be taxable but at the lower rate of seven per cent. The previous rate, of course, for taxable prepared meals was 10 per cent.

The tax base will be expanded to include labour costs applicable to the installation, repair or maintenance of tangible personal property. However, the tax will not apply in those situations where the items on which the labour is performed become or are already a part of real property.

The tourist industry is an important part of the economy of this province. To assist the hospitality segment of that industry to remain competitive in attracting tourists to this province, the rate of tax on transient accommodation will be reduced from seven per cent to five per cent.

In another area, the existing exemption for licensed vehicles powered exclusively by fuels other than gasoline or diesel fuel, has been expanded to include licensed vehicles which can be fueled by both fossil and alternative fuels. The exemption will also apply to dual fuel conversion kits.

As well as those items that changed the application of the retail sales tax, this bill also contains a number of measures of an administrative nature. It is necessary to protect for the province those revenues that are rightfully due to it; therefore, measures have been provided that will ensure that purchasers who refuse to pay the retail sales tax owing at the time of a purchase may no longer complete the purchase. Additional measures will provide penalties for purchasers or vendors who wilfully complete a sale without collecting the tax.

As well, I have included an amendment to ensure that the tax content of accounts receivable assigned as collateral will be remitted to the province.

Other amendments will establish the conditions for tax on a deemed sale of tangible personal property from a corporation to its shareholders at the time of winding up or dissolution of the corporation, change the application of the tax in the case of chattels that are rented separately from the real property to which they are attached, and provide much broader conditions under which vendors may advertise or quote tax-included prices.

There are other administrative amendments of a minor housekeeping nature, which I will not elaborate on at this time, but which update terminology, give effect to metric conversion and remove redundant or expired exemption sections from the Retail Sales Tax Act.

**Mr. T. P. Reid:** Mr. Speaker, I rise to represent the Liberal Party on this bill, and it will probably come as no surprise to the minister, who unfortunately has to carry this bill, that we intend to vote against it.

I do not intend to go over at any great length the arguments I made in my budget reply, and some of the arguments that may have slipped in, in reference to Bill 111. But I want to reiterate briefly why we insisted and fought so strongly



for this particular bill to go to committee, a committee that will be allowed to hear people from the public and have them express their opinion on Bill 115.

It was interesting to hear the Treasurer stand in his place today and speak as if it was his idea, as if he had almost been pushing this since he had brought the budget down in May, and as if we, the recalcitrant opposition, had been stopping this bill from going before committee and before open public hearings.

Mr. Speaker, I am sorry the Treasurer is not here to hear this, but some of his colleagues are. I want to put it to you that we are in a state in our economy and in our society where it does none of us any good, when we as governments or administrations have embarked upon the wrong course of action at a particular time, to refuse to acknowledge we have made a mistake and to do anything, including committing political personal suicide, as the Treasurer has embarked upon, as long as we do not have to say, "Yes, we made a mistake and we will rectify that mistake." I give that advice also to my federal brethren who have the responsibility of the executive at that level.

**3:30 p.m.**

**Hon. Miss Stephenson:** Why don't they pay attention to you? They don't listen to you.

**Hon. Mr. Ashe:** They are not listening.

**Mr. T. P. Reid:** If members opposite would just listen, I give this administration full marks for bending as far as it has done. Perhaps an onslaught of seven and a half hours might have had something to do with the government seeing the wisdom of following this course. It is interesting that some have been quoted in the press, particularly the Treasurer, as saying, "We will go to open hearings and we will hear what the public says but that is not going to change our minds or the budget one whit."

That is certainly democracy at its best. It is no wonder a lot of people are turned off by politicians and government when, before they even have a chance to express their opinions publicly, they are told that no matter what they say it is not going to effect any changes in the budget. I am a little more optimistic, although given the stonewalling we have had on this issue for so long, perhaps I should not be.

**Mr. Stokes:** What are you drinking?

**Mr. T. P. Reid:** Straight water today, so far.

We on this side objected to Bill 115 in regard to the retail sales tax, originally on four grounds.

I would like to go over them briefly. I will not rehash everything.

First, obviously any increase in taxes at any time, but particularly in these economic times, is inflationary. That is almost the only thing all economists agree on. It is interesting, Mr. Speaker, if you look at the budget of Ontario in 1981, the Treasurer's main goal was to contain and hold down inflation. Yet he comes in with a bill in this budget that is not only inflationary across society as a whole, but is regressive in putting an inflationary burden on those least able to pay for it. I think even the Minister of Revenue nodded when I said it was inflationary. That is a given.

Second, I have already in my budget address, which I commend to you, Mr. Speaker, as probably one of the most analytical we have seen in years in the House, said that the aspects of Bill 115, bringing back or imposing the retail sales tax, are contradictory in many ways. For instance, we have talked about energy conservation. We have had questions in the House this afternoon about the solar industry that we hope is going to replace our dependence on oil and gas. This government, and I think rightly so, by not putting the seven per cent retail sales tax on those items provided an incentive for people, companies and corporations to get into other sources of energy such as solar energy. Now, especially when these companies are just starting to grow, it reimposes the sales tax. That is contradictory.

The seven per cent sales tax is also back on buses and public transportation. I do not know what happened to Mr. Transportation Man of the Year but again the government had been promoting public transport and had provided some incentive by keeping the sales tax off, but is replacing it in this year's budget. The second point, therefore, is that these measures are contradictory.

The third I have touched on already. The taxes are regressive. Most economists agree the retail sales tax is probably the most regressive tax there is, because it is not on a sliding scale. It is not taxation based on what your income is or what you can afford, but it hits the strong and the weak, the rich and the poor, at the same level of tax, which is seven per cent. Since a senior citizen or person living on family benefits is very close or below the margin of poverty, this seven per cent tax obviously is going to impact more strongly on them than it will on Conrad Black.

Fourth, we are against this tax because of the



people who are being taxed, the people who are going to feel it, such as students at the university level. Already today we have heard about the students at the university level who are going to have to pay increased living fees when they are boarding, but students will also have to pay this tax on their school binders and school supplies.

What we really object to is that they are being taxed to pay for the Premier's jet, Suncor, and the \$40 million a year in advertising that is keeping this particular government in power. We object to the fact that those people in our society are having their pockets picked. We have now stooped so low as to tax children to pay for the baubles and symbols of this Tory government.

Those were the original four points we had made against the imposition of the expansion of this tax, but now there is a fifth one. The fifth point bothers me almost more than the others. It is that the Treasurer obviously had no idea—absolutely none—of the impact it was going to have on the taxpayers of Ontario and those whom he made taxpayers by this budget.

It boggles the mind that the Treasurer has stood up here daily since the introduction of the budget as I and other members of this party and my friends to the left have asked for the Treasurer's studies of the impact of the sales tax on these various segments of society—school children, university students, the old, the people who are on family benefits, dry cleaners, the women who make dresses and do tailoring work at home, and the economy as a whole. There aren't any. There are no studies. The Treasurer had no idea of the impact these taxes were going to have on people.

Frankly, I cannot understand that. I studied economics a number of years ago. We were told at that time that governments always did impact studies so as to ameliorate the effect of any taxes, so they would know who the tax burden was falling on and so that when they did impose tax or increase a tax, they would know people would be able to afford it and would not be overly adversely affected, because every time there is a tax obviously somebody is adversely affected.

We had the prime example today during the question period when somebody asked the Treasurer if he realized that by imposing the tax on meals in cafeterias for university students that would cost them anywhere from \$45 a semester to perhaps \$100 over the eight-month term? The Treasurer shrugged his shoulders

and said: "You have the figures. I presume you are right. No, I did not realize that."

How can we go about drawing up a budget in the province without having any idea of the impact these tax measures are going to have on different people in our society? It is not difficult to calculate. I will give a couple of examples that were easy enough for us to come by. St. Jerome's College at the University of Waterloo has said that the meal tax, let us call it that, will increase residence fees by about \$40 a term; two terms, \$80. Similarly, Wilfrid Laurier University has announced that residence fees will increase by \$84 in the 1982-83 year to cover costs of the seven per cent tax on meals.

**3:40 p.m.**

What always dumfounds me is that the people over there have 82,000 civil servants, not counting the ones on contract and the consultants they hire. They are spending \$103 million on some of the most sophisticated computer equipment in the world today. The Treasurer has something like 380 people on his staff, a number of them well paid indeed. Yet he has the temerity to come into this chamber and tell us he does not know what the expansion of this tax is going to mean to anybody in this society.

Quite frankly, I think if the people of Ontario knew how badly this budget was put together, how badly the administration is run, and how little those people over there know about what is going on, there would be clamouring in the streets for another election.

There is an additional point. We do not believe, particularly at this time in Ontario's history, in the economic times that we are in, that some of these essentials should be taxed. I will not deal with some of the offhand remarks the Treasurer has made, which indicates his insensitivity to women and others, but there comes a point when we have to sit down and ask are we so greedy for money, have we so mismanaged the economy of Ontario, have we so misspent the taxpayers' money on Suncor and jets and government advertising and so on, that we can really do this kind of thing.

It is interesting that the government spends about \$680,000 on public opinion polls. One of their polls told them that people would rather see the expansion of the base of the retail sales tax than putting it up one per cent. For once, the government has been hoisted on its own polls, because obviously the polls were out of date and they were misread or they were poorly taken. I am sure that particular polling institution will not get any more of the government's business.



Mr. Speaker, I would like to draw your attention to a speech made by one of the finest gentlemen that ever graced this chamber in my time here. That was the Honourable J. N. Allan, who was then the Treasurer of Ontario, in a speech to the Legislature on March 1, 1962.

Mr. Allan said, in speaking about his budget, "By exempting food, fuel, rent, children's clothing, books, school supplies and medical expenses, we have avoided taxing most of the items that represent the greatest expense to families with small budgets. It bears lightly on low-income groups, and more heavily on high-income groups, in accordance with the principle of ability to pay."

Where did the progressive in the name Progressive Conservative disappear to between 1962 and 1982? If one looks at appendix A in the budget statement of the Treasurer for 1982, one will see all of these matters now listed: personal hygiene and household cleaning products; consumables such as soaps and tissues purchased for use in the provision of transient accommodation; classroom supplies; student supplies; materials incorporated in buildings and structures owned by schools, colleges, universities and public hospitals; clothing patterns; and smoke alarms. It really is incredible that the Treasurer should find himself in such a state that he would list all of these things, and stoop so low as to start taxing children.

I want to deal with some particular aspects. My leader and others have put well the arguments and problems related to the food and beverage industry. I would like to talk about some of the contradictions that I may have skipped over too lightly in my previous presentations.

This government has spent \$6 million to promote energy conservation, yet Bill 115 and this budget remove the incentive to purchase items such as thermal insulation devices, storm windows and storm doors, heat pumps, heat recovery units, chillers for use in air conditioning systems, solar cells, solar furnaces, windmills and wind-powered generators, timer-controlled thermostats for heating systems, wood-burning stoves and furnaces and wind deflectors for trucks. All of these items would aid energy conservation and follow the government's own policy of shifting from our dependency on oil and gas.

The Premier has built his reputation partly on the fact that he was Mr. Transportation Man, supporting public transit. Now he adds the sales

tax to buses and to labour on the servicing of most transport across Ontario.

The budget announced a \$133-million capital works acceleration program as job creation. At the same time, the Treasurer is applying the seven per cent sales tax to building materials and certain other items purchased by publicly funded bodies such as municipalities.

The government is trying to promote the creation of jobs by accelerated capital development and, at the same time, it is saying, "By the way, if you do any of these good things we are recommending, we are going to nail you with seven per cent sales tax."

One can talk about the contradictions in the so-called assistance to the hospitality industry where the budget places a 10 per cent tax on liquor, a five per cent tax on rooms and a seven per cent tax on other things. There are three levels of taxation involved.

In the budget, the government talked about job creation programs and said they must be meaningful jobs. The budget dwells on and emphasizes temporary replacement programs which do nothing to address the structural unemployment problems of the province.

It is interesting that I have referred to the fact that the provisions under the budget are inflationary. I believe it was this Treasurer who said: "Inflation has no beginning. It is the cancer of modern civilization. As with all cancers, no one says when it begins or how fast it spreads." I suggest this budget of the Treasurer and the expansion of the retail sales tax are going to accelerate inflation in Ontario.

We talked briefly about who the impact of these budgetary measures would fall upon, particularly the retail sales tax. We sat around and drew up a list, which we call the Miller hit list or the Miller top 20. All of these groups and individuals in society are going to be hit with this tax at a time when they can least afford it.

The list covers pretty well everybody, but I will read it for the members. The restaurant and food service industry, retailers, the poor, municipalities, universities, schools, colleges, school boards and children are now to be taxed, as are women, those on fixed incomes, the solar industry and the commuter, who will have to pay more because buses and labour will cost more.

**3:50 p.m.**

Also paying more will be the conserver, who was getting a break and was following the dictates of the government; the property owners, whose taxes are going to go up as a result of the transfer of taxes to them from the provincial



government to the municipal government, to the school board level, and the fact that school boards and municipalities will have to pay seven per cent tax on materials and labour, property owners will pay more.

Owner-operators of automobiles will pay more; and here taxing labour will obviously have two effects. One is that the cost of insurance will go up. Ontario's new budget, it is predicted, will add at least \$27 million to car repairs this year and boost insurance premiums by two per cent or more, according to the automobile industry.

That is not all it is going to do. In my other budget speeches I have talked about the fiddles that are going to be pulled in the province because of this budget. I will finish running through the list of 20. I was at 16 with owner-operators of automobiles; 17 is students, whom we have discussed; 18 is hotels and motels; 19 is babies, who are now having their baby powder taxed; and 20, of course, are pet lovers. If one wants to buy a cat or a dog or a budgie, we will now be paying tax on that.

Not only are these taxes ill advised at this time in this economy, but the Treasurer obviously has not considered what impact they are going to have, not only in a monetary and economic way but also in the effect they will have on society at large. Everybody's back is up against the wall. Everybody is having difficulty making ends meet. Everybody is extremely fearful for the future.

What these kinds of taxes lead to—we have seen it particularly in Great Britain—are things called fiddles, where people start a barter economy, or they start little fiddles and they salve their conscience by saying they are not really much, it is not really fraud, it is not really stealing. I have had people in business and individuals approach me and say: "What this tax on labour is going to do is, to try to keep costs in line, to try to keep the level of business we have, we will start to use cheaper parts and charge for the more expensive ones. We will start cutting corners. Quality is going to suffer and the consumer is not going to get what he thinks he is paying for."

Both the economy as a whole and the individual will suffer for that because they will be paying for what they think is quality and they will be paying seven per cent sales tax on top of that, yet they will not receive value for their money because everybody is going to try to hold personal costs down with those kinds of results.

We have talked about almost everybody. We could go through the list of the municipalities

which have contacted us and told us about the impact of the budget on them. The Treasurer has pooh-poohed that. He says, "We figure it will be only one half of one per cent across the board for all municipalities and school boards." I suppose when one deals in percentages like that it does not mean much, but when one is talking about \$500 million or better and start applying the retail sales tax to that, it can get to be quite a substantial amount.

The mayor of Sudbury, for instance, has stated that the imposition of a seven per cent sales tax may result in layoffs and cutbacks in a city that is already undergoing a severe strike. The city of Sault Ste. Marie's purchasing agent has said the removal of these items from the exemption list will have a very significant impact on the Sault's budget and taxpayers as far as purchasing is concerned.

The average North Bay ratepayer will fork out about \$64 in additional municipal taxes because of the budget. The mayor of Hamilton, who is obviously a very perceptive fellow, said the provincial government is "raising taxes to pay for its past mistakes." The Kingston public utilities commissioner said the 1982 budget will cost an additional \$90,000 over the next two years.

Because of the budget all municipal governments will be forced to rework their budgets, revise their tax levies and abandon projects because of this unforeseen tax.

**Mr. Mitchell:** Someone wants to know what you are drinking today.

**Mr. T. P. Reid:** This water is a bit of a disappointment.

We could go through every municipality, every school board, every college and every university, but I will name just a few. The sales tax has affected the Fort Frances-Rainy River Board of Education and other places, obviously, as well. The tax will cost the Sudbury Board of Education another third of a million dollars, the Etobicoke Board of Education an additional \$405,000 and the Ancaster Board of Education an additional \$222,000. One of those trustees called this portion of the budget asinine. Probably no better word can be found.

It will cost the University of Waterloo an additional \$1.6 million, the Brant County Board of Education an additional \$177,000, Trent University an additional \$200,000, the Lakehead Board of Education an additional \$160,000, the Niagara South Board of Education an additional \$300,000 and the Lincoln County Board of Education an additional \$200,000. The list is



endless, and it fuels the inflationary spiral in Ontario.

We could talk about children and the removal of the exemption on the purchase of candy, confections and soft drinks below 49 cents, which hits the children of this province just that much harder. The removal of the \$6 exemption on essential meals means that hamburgers from McDonald's cost seven per cent more.

For women, of course, the removal of certain personal hygiene items makes one question whether the Treasurer really understands what is meant by the term "essential." Pensioners and those on fixed incomes are obviously affected by the expansion on these essential items which make up a large part of their monthly expenditures. The budget undermines the ability to pay principle.

I could go on and on and on, and there are those who will say that I have in the past. But I want to reiterate that I am glad my stand in this House for seven and a half hours has at least led to the public being able to participate in this process. I hope it will lead to a more open budget-making process. Obviously, given this budget, the Treasurer and the government need all the help they can get from anyone who will give it.

As I said at the outset, we will oppose this bill because we believe it is poor economics, regressive, inflationary, wrong-headed and asinine, to use someone else's quote. We think we have reached the depths when we have to start taxing children and essential products in our society to pay for the past mistakes and misdeeds of this Tory government. So we will vote against this bill, and we will continue the good fight in the committee hearings when they commence next week.

**4 p.m.**

I almost feel sorry for the Minister of Revenue, because he is sort of in the position of somebody beating the monkey over the head instead of the organ grinder. The Treasurer is the organ grinder and the Minister of Revenue is the monkey. If one does not like the music, one should not be beating the monkey over the head with a stick, which is what has been happening here, because he is only the messenger boy and the collector.

We would have felt sorrier for him if he had got up and said, to use that immortal phrase, "Yes, Mr. Speaker, this budget sure has screwed up everything." Since he did not have the integrity to do that, we temper our mercy somewhat. We look forward to the public

hearings, and we will continue to press upon the government the wisdom of withdrawing the expansion of the retail sales tax to the essential items we have talked about and the ones that are going to have such an obvious deleterious economic impact on Ontario.

**Mr. Breaugh:** Mr. Speaker, I want to speak in opposition to the bill.

**Mr. T. P. Reid:** No.

**Mr. Ruston:** We're glad to hear that.

**Hon. Mr. Ashe:** No, no.

**Mr. Breaugh:** The minister should not act shocked. I think that is taxable these days.

The bill does some strange things indeed. One would have to think that if, somewhere in the bowels of Queen's Park, there is a Tory who was designated to prepare this part of the budget and was paid actual cash money to help this government put forward legislation of this nature, that person really ought to be put out to pasture.

It is the most asinine piece of legislation we have seen in quite some time. The difficulty is that it is not just silly legislation and that there are not just mean taxation proposals in this bill. This bill inflicts cruelty and hardship on people who are often least able to afford it. This is not a fair taxation process. I think we all agree that no one really likes taxes and that no one likes to have the government impose on his personal paycheque, but there are fair ways to do it; this bill, however, deals with almost every unfair way to do it that one could conceive.

The other thing I want to begin with is that right now, while we finally debate this bill—it is the first time we have had an opportunity to speak on the principle of this particular legislation—people out there in uncertain numbers, not sure of themselves, not sure of the rules, not sure of what is fair, unfair, legal, illegal or what, are supposedly collecting these tax moneys. That seems to me to be a ridiculous situation.

Perhaps it might not be quite so ridiculous, and I am sure the members opposite will quote all the precedents, if it were clear what it was the government wanted to tax. But it is not yet clear. And although there have been directives back and forth from ministry staff upwards to the minister, it seems they get waylaid somewhere between the Treasurer, who speaks on certain kinds of taxation measures included in this bill, and the Minister of Revenue, who does not seem too sure from day to day exactly what it is he wants to tax. There seem to be a multitude of ridiculous items in here.



It seems that if one buys a bun in a bake shop it may or may not be a taxable item. If the guy who sells the bun has the temerity to split the bun open or put some butter on it, it changes the taxable situation. Worse yet, should one offer the affront of actually taking a bite out of the bun, that might change it another way.

The bill is, in a word, nuts. It does not provide a fair measure of taxation. It does not even provide a clear picture of the rules of the game. It seems to me that as we go through the principle of the bill, as we will this afternoon, we will find more and more confusion coming out of it.

I guess the most ridiculous situation is that it happens at this time of year, when a number of groups in various municipalities are sponsoring festivals, and it was not precisely clear until last Thursday afternoon whether any of those groups were covered under this bill. While they sell some goods, for the most part they sell food and beverages to people in Windsor, in Oshawa and here in Toronto under different names—they are great cultural organizations that do much work, and people are out there enjoying themselves, we hope—but they did not know whether the tax applied.

To my knowledge, nobody anywhere in Ontario to this date has a written directive from anybody in the government as to whether they are or are not to be collecting sales tax. There have been some verbal exchanges, and we attempted last Thursday afternoon to get the Minister of Revenue to nail down at least exactly what is covered, what is not and for how long. We have some words in Hansard, but none of the people who are working in the field, who are running villages or pavilions in Fiesta Week in Oshawa, Caravan here in Toronto or Carousel in Windsor, has a clear direction as to precisely what is supposed to be going on.

The irony is that we are just beginning to debate the bill; off it will go to committee and perhaps things will change again. Confusion is reigning supreme, and there are a lot of really perverse notions in here about whether a chicken is a taxable item or not; we need some answers from the Minister of Revenue, who failed only one half of the questions in the first sales tax quiz last week.

What is clear is that an unusual thing is happening. Business people, those who normally like to argue in the quiet of a committee room without a lot of exposure, are saying, "This government is nuts." Business people are spending their money to advertise publicly, to

demonstrate that this whole process is crazy. They are getting a little personal about the Treasurer's bite getting bigger and they are putting out little advertisements about the Miller tax. Part of that has a humorous side to it; part of it is the feeling that the Treasurer really did not think through this process very well. And the Minister of Revenue did not do very much to clarify the situation.

The hardships are beginning to become apparent. The students are in difficult economic times and some are going to have trouble with their university expenses next year, but it appears the Treasurer and the Minister of Revenue also want to get at them, for whatever reason I do not know. It is clear that most students in residence will be forced to pay this retail sales tax on the food they eat. Whether they do that in the residence or outside, at some local restaurant that is a little cheaper than the ones the ministers attend, is another question, but they will get hit by a tax on the very food they eat.

Living in residence in many cases is a requirement of the university they attend, at least for the first part of their university education; so there is considerable unfairness there, although they tried to spread the unfairness over as many people as possible.

I find that it is a strange thing. I have had an opportunity to discuss this now with several people who run dry-cleaning establishments and with people who run small restaurants. They are unclear about what is going on; they do not know what their status is right now, and no one has bothered to provide them with that clarification.

We have attempted to get that clarification through the question period, but I think it is asking a bit much of someone who is running a small business in Ontario to follow the Hansards for the daily answers about who will or will not collect the retail sales tax. At the end of it all, having been conscripted as tax collectors, they are then supposed to turn that money over to the province. All this speaks to the number of problems the government has created by this.

I noticed today when the Minister of Revenue was responding to a question, he said it was kind of silly for government to take money from one pocket and stick it into the other, that it was silly for government to tax itself. Yet he has no qualms about taxing what is supposedly an extension of the province, the second level of government, which is the municipalities.

Why did the government decide, specifically in the Retail Sales Tax Act, that it wanted to get



at municipalities in as many ways as possible? If it makes no sense, and I agree that it does not, to have the ministry slapping taxes on another ministry, how is it fair to slap it on a second level of government, the municipal level? I do not understand that.

If they are going to be making arguments, and I imagine they will, that they are now prepared, perhaps even as early as next week, to begin the process of changing the grant structure to meet that additional expenditure for licence fees, Ontario health insurance plan increases and the sales tax that is required for municipalities as they carry on their work, how is it sensible to begin the process initially? It seems to me it makes no sense.

**4:10 p.m.**

We could read into the record, and will if we get an opportunity during the course of the committee meetings, some of the specifics of individual municipalities and school boards that are now going to be faced with a substantial expenditure of money because of an action of this government.

What many people at the local level of government are most irate about, quite frankly, is that the Treasurer has gone on at some length complaining about the federal government unilaterally changing its funding agreements with the provinces with very little or no consultation, changing the rules of the game in mid-stream, making substantial policy changes that put a level of indebtedness and a cash requirement on the provinces without really properly consulting with them. Yet that same person did the exact same thing to every school board, every public utilities commission and every municipality in Ontario. I do not think that is fair way to proceed. If the government were to proceed in that way, some consultation should be necessary, but it appears there was none.

It is true that we are going to get something unusual in regard to this particular bill, in that it will go for public hearings. That does not normally happen with budget bills. It will be a test of the government to see whether it is really prepared to deal with changes of a substantive nature when we go into committee and do clause-by-clause, when various people have an opportunity to come before that committee and present the very real problems caused by this bill.

I want to deal with the principle that is in this bill, the concept that the Treasurer can stand in his place on budget night and change things without there being any law in place, without

there being clear regulations written, without there being clear direction given.

On several occasions in question period we have had an opportunity to raise briefly this rather vexing matter, which other jurisdictions of a parliamentary nature have dealt with. For example, in Canadian law, in Ontario law, these pieces of legislation basically proceed on tradition, precedent, consensus.

More specifically, with a majority government, it seems reasonably clear that opposition parties will raise questions, will certainly raise objections and will vote against them. The trend, the tradition, the precedent will be that eventually a government will be able to pass its legislation. On that is built the whole concept of majority government. On that is built much of the tradition of anybody's parliament. But again it goes back to practice, to precedent, to consensus; there is an agreement among all members of a parliament that it is an acceptable way to proceed.

Mr. Speaker, I put it to you that there is no such consensus in this Legislature, either on this specific bill or on the practice the government is hanging its hat on. I certainly do not sense any consensus on this side of the House that it is inevitable. As we go further and further through the debate on the bill and in question period each day, I sense no clear consensus on the government side as to exactly what is contained in this bill, exactly what this bill means. There is a distinction between what the Treasurer says and what the Minister of Revenue says, and those distinctions continue to change day by day during question period; so it is not clear what this legislation does propose.

The principle that the Treasurer can announce his intentions on budget night and subsequently develop them without any interference from the other side clearly was broken when it was decided the legislation now before us will go out to committee for hearing. The purpose of a hearing is always to provide for amendments. The Treasurer seemed to indicate today that he is prepared to make further changes.

Current law still exempts items from taxation and provides for an individual the right to refuse to pay this tax to a vendor and the right to take that dispute to the Minister of Revenue. The British Parliament has dealt with this aspect of the legality of tax laws before they are finally passed. The British Parliament has clarified the legal status by passing an act, the Provisional Collection of Taxes Act, in 1968. We have no such act in this Legislature, nor is the matter

covered in the precedents of Canadian Parliaments.

I took the time to go over several sources of information on this and was able to get some research provided to me which perhaps nails down some of what this legal argument is all about, the bare bones being that there is not yet a law in place; nor are there licensed vendors collecting, because not all of them have their licences to collect the retail sales tax; nor are there regulations published; nor has there been proper notice provided to people who are supposedly going to operate under this act.

Erskine May, generally regarded to be a reasonable source of precedents here, sets down the following on page 702 of *Parliamentary Practice*:

"1. General Rules of Financial Procedure of the Commons: Rule 1. Legislative authorization and appropriation of charges—A charge does not acquire full validity until authorized by legislation; it must originate in the House of Commons and, if it constitutes a service paid for out of moneys provided by Parliament, must be appropriated in the same session as that in which the relevant estimate has been laid before the House."

On page 717:

"It is the resolution in its final form, which is held to provide the necessary authorization both for the financial provisions of the related bill, as introduced, and also for any amendments which may be offered to it at a later stage."

On page 787:

"Provision has to be made, however, for giving immediate provisional validity to those proposals which are to come into force (many of them on budget day itself) before statutory authority can be obtained. This is done under the Provisional Collection of Taxes Act 1968, as amended . . . in 1972.

Regarding retrospectivity, which is not presumed, S. G. G. Edgar, on page 389 of *Craies on Statute Law*, says:

"The Acts of Parliament (Commencement) Act 1973 in no way prevents Parliament from making an act retrospective if the intention to do so is apparent. 'It is obviously competent for the legislature, in its wisdom, to make the provisions of an act of Parliament retrospective,' said Lord Ashbourne in *Smith v Callander*; and 'No one denies,' said Dr. Lushington in *The Ironsides*, 'the competency of the legislature to pass retrospective statutes if they think fit, and many times they have done so,' but, said

Lord Ashbourne, 'Before giving such a construction to an act of Parliament one would require that it should either appear very clearly in the terms of the act or arise by necessary and distinct interpretation,' and perhaps no rule of construction is more firmly established than this—that a retrospective operation is not to be given to a statute so as to impair an existing right or obligation otherwise than as regards matter of procedure . . ."

I also want to quote the Honourable Allan Grossman in the Legislature of Ontario debates of May 4, 1973, when this question was previously raised, I believe, as a ruling from the Speaker:

"If this question is considered, having regard only for the existing Retail Sales Act, the answer of course has to be no." That is to say, it was not legal. "However, Mr. Speaker, we cannot ignore the long-standing precedent of this Legislature—which, incidentally, has been referred to you—which has recognized the retrospective nature of many of our taxing statutes."

That, I think, clarifies the situation that it is that precedence which the government uses. Mr. Grossman, I believe it would be reasonable to say, was admitting there that it is not legal but that it has been done and is considered to be precedent.

The following appears on page 294 of a paper J. Harvey Perry, called *Taxation in Canada* and published by the University of Toronto Press:

"In Canada, as in England, any tax changes proposed by the budget speech are brought into effect immediately. Changes in commodity taxes and the tariff are usually effective from midnight, despite the fact that many weeks will elapse before legislation therefor is enacted. This practice is followed to prevent any avoidance of the new rates, particularly when these are higher. Delay would allow taxpayers to forestall the effect of the proposed increases by heavy buying during the period between the speech and the enactment of the law. The statutory vacuum thus created is filled eventually by having the legislation, when enacted, apply retroactively to the date of the budget speech."

Again, the Canadian Study of Parliament Group held a seminar on the budgetary processes on November 18, 1977. Under a section called "Structural amendments effective only when enacted," they said this:

"A possible answer to the problem of uncertainty is to change the practice under which tax amendments become effective as of budget



night, regardless of the date upon which royal assent is given to the amending legislation. If amendments became effective only on royal assent, taxpayers would at least be able to proceed during the legislative process with some assurance as to the state of the law.

**4:20 p.m.**

Those are the precedents we could find, and it is clear that it has been the practice to do this. It is also clear that the legality has been challenged and thought about, and at the very least there seems to be a bottom line there: if the minister wants to proceed in this manner, he had better be pretty clear as to exactly what he is trying to do in a piece of legislation of this nature.

I want to point out that in subsection 5(3) of the Regulations Act for Ontario it seems to be fairly clear. It says: "A regulation that is not published is not effective against a person who has not had actual notice of it." It seems to me that is unequivocal. That is what Ontario law says when dealing with the matter of regulations. Members may notice the Regulations Act is pretty clear and straightforward as to what the government is trying to do with regulations.

I also want to read into the record a small portion from the Canadian Charter of Rights and Freedoms, which this government supported: Paragraph 11(g) reads, "Any person charged with an offence has the right not to be found guilty on account of any act or omission unless, at the time of the act or omission, it constituted an offence under Canadian or international law or was criminal according to the general principles of the law recognized by the community of nations."

In summary, I think we now have a Canadian Constitution that says this practice no longer can be carried on. The practice has been in place for some time. The legality of it has also been in question for some time. The British Parliament passed an act that covers that part of it. The Canadian Parliament and this Legislature have never done so. We now have in place a Canadian Charter of Rights, which seems to me to take precedence over any practices of this House.

I think it clarifies that this tax, which is not yet law but supposedly now is being collected out there, is, to be polite about it, being collected on very questionable grounds. There may well be a legal challenge about it, and the principles in this act may well be ones that are subject to litigation subsequently. I believe the right of a citizen to refuse to pay the sales tax, as the

current law still exists, and the obligation on the part of vendors to collect the sales tax, are certainly not yet clear.

We will now go to committee where we will get an opportunity to do something that is unusual in a Canadian legislature or parliament; that is, have public hearings on a taxation measure. I believe that is a sensible way to proceed when one devises these taxation measures. I even hazard a guess that the Treasurer would prefer at this time to have an opportunity to seek the advice of members of this Legislature and the public in a way different from what he has done until now.

This technique of putting together a budget, where one single human being in the entire province understands the budgetary process before it is announced, is quite a wrong-headed notion. It has got this government into a simply untenable situation with an act of the Legislature not yet passed and regulations not clearly thought out, causing immense problems to individuals, small children and elderly citizens. It is causing problems for businesses, municipal governments and boards of education. All this has happened because the principles laid out in this bill are not sound principles and the appendages that go with any piece of legislation have not even been clearly thought out.

We will oppose this bill. We look forward to the opportunity in committee to give people a chance at least to state the problems from their point of view. I hope the Treasurer and the minister who carries the bill will have the wisdom, fortitude and guts to admit there are serious errors being made now. The legality is certainly open to question, and they are proposing tax measures in this legislation that are unfair. It imposes an real burden on people who do not deserve that kind of burden, and it needs to be substantially altered.

We will see, when this bill does go to committee and when it comes back into this Legislature, whether we have a government that is prepared to be mature enough to admit that there were errors and to make some changes to put into place some fair taxation measures. That will be difficult in this bill, but it is a challenge for the government.

**Mr. Cunningham:** Mr. Speaker, as is often the case, the member for Oshawa (Mr. Breough) raised some interesting procedural matters which, quite frankly, really caught my attention while he was making his remarks. One was the suggestion that, inherent in the bill, we might fault some civil servant.

While it is a rare occasion for me to take exception to a remark made by my friend the member for Oshawa, I think it would be inherently unfair to blame this item of legislation on one civil servant or even on a collection of civil servants in the Ministry of Revenue. Frankly, I think the employees working in the Ministry of Revenue are only doing their master's bidding; simply put, it is a rather blatant tax grab from the people of Ontario to accommodate and pay for a litany of financial mistakes that are only coming home to roost now. Lest I be the bearer of bad news, I think that, if anything, the next budget and even the budget after that may be even more arbitrary and unfair in the context of taxation.

The member for Oshawa also made a general point about the traditional imposition of a budget immediately after it is read on budget night. I have no aversion to that practice or tradition, which really has become accepted practice in Canada and Ontario—as long as the taxes are well conceived; as long as there has been an element of consultation, if not of understanding, in advance; and as long as they are generally accepted to be fair. As long as those practices are followed, the immediate imposition of budgetary measures is not unfair.

This budget, unfortunately, is at variance with that kind of phenomenon. I look in my own constituency and in my area at the hardship this budget has already imposed. I think immediately, of course, of the food industry and the food service industry. It was only last week that I had the pleasure of meeting with a gentleman in Westdale who has put \$250,000 of his own money, that and the bank's, into the operation of a burger place in Hamilton. Because of the bad economy, that person has already been forced to lay off three or four people, and he expects that as sales in his facility drop he will have to lay off more people. These people are students who are earning tuition money to go to university so that, by virtue of their education, they will probably find a better job and will thereafter, for the next 35 or 40 years of their lives, pay taxes.

The individual in question is going to find himself in a situation where he is going to have to invest money he does not have for the purchase of a new cash register to accommodate the new tax on meals. Previously not one meal in his facility could be purchased over the price of \$4. Now he finds that he must charge a tax; a patron must now pay anywhere from 25 cents to 50 cents to the government in tax even

on a modest lunch, and this may not be a luxury for people who are on the road, must travel and must eat in restaurants.

The people in the corner stores are finding the same kind of situation. I met with a lady in a corner store not very long ago who indicated that the daily sales tax in her tiny variety store had already increased from somewhere in the area of \$8 to something like \$21 or \$22. Little people are having to pay for this.

**Mr. Stokes:** What are little people?

**Mr. Cunningham:** People under five feet six inches, sir.

**Hon. Mr. Ashe:** Like the member for Wentworth North.

**Mr. Cunningham:** I am five feet six and a half inches.

People on fixed incomes. In my own community we are looking at somewhere in the area of a 10 per cent unemployment rate, and it is really unfair to ask those people to pay more at the supermarket or restaurant. Even if they are in the fortunate position where they can save up and go out to a McDonald's restaurant for a hamburger or coffee, it is inherently unfair.

**4:30 p.m.**

When one looks at the impact on the retail industry, it is apparent that even with this industry suffering as it is, many people are going to be laid off, maybe for the first time ever, because of the decline in the economy and the imposition of the new retail sales tax.

This afternoon, through a supplementary question, I raised some concerns I had about the cost of the tax on repairing clothes at dry cleaners. I have recently had a petition sent to me from a dry cleaner in my own area. I should maybe profess my conflict of interest because Herb Bowes Cleaners of 25 King Street West, Dundas, is occasionally inclined to provide that service for me. Like many of their confreres in that line of work, they object to that tax.

The Minister of Revenue is fully entitled to bring in measures which would affect the tax on that, just as the government, with its majority, is basically entitled to bring in a tax on just about anything it wants. However, that makes it neither right nor fair. Once one has paid a tax on something, whether it is a jacket or any kind of article, it is inherently unfair to charge another tax on that to repair it on a future occasion.

If someone were to come home and find out that the washing machine or the dryer or some other piece of vital equipment in the modern home had gone wrong and it was going to have



to be repaired; first, one is probably looking at a \$25 service call on top of which tax must be paid; second, one must pay tax on top of any of the parts and the balance of the labour that would be charged. Certainly, that is unfair.

I reflect on the tax the minister is going to put on items like soap, sanitary products and deodorants. We should establish a better order of spending priorities so these very real necessities would not need to be taxed.

There are the municipalities. I have had the occasion to meet with several, if not all, of the mayors in my community since the budget has become a reality. I believe each and every one of them has been striving to keep expenditures down in his local community, not just because it is an election year or because they are endeavouring to curry favour with the public, but because they realize, perhaps more than the Treasurer and the Minister of Revenue, the serious effects of high mortgages, inflation and unemployment on people who are working hard to keep their houses.

In the town of Dundas in my own constituency, there are senior citizens who are working hard, cutting corners and doing everything they possibly can to stay in their own homes, who have perhaps watched their pensions dissipate year by year, percentage point by percentage point, to a point where they can hardly stay in their own homes. We have few or no openings in senior citizens homes or apartments. There is literally nowhere for them to go. The same thing applies in other parts of my constituency, yet their taxes on an annual basis are going up and up.

One should contemplate the dilemma people with mortgage renewals are facing. I do not think there is a member of the Legislature who has not had someone come to his constituency office or write to him, probably very eloquently, about the pain being suffered as a result of the high interest rates and the high cost of mortgages we see today.

If anything, the task of this government and of the municipalities is to keep their tax increases to an absolute minimum so we are not contributing to putting people out on the street. I see absolutely no reason whatsoever by which we could justify significant increases in municipal taxes. Quite clearly, this budget, in the most invidious way, has been a massive attack on the municipalities.

There are major capital projects in my own municipality that we really need, such as the new transit garage, the arena, a myriad of

projects that are going on. We are now in a situation where, as the Mayor of Hamilton said very clearly, we are raising taxes, taxing these things, to pay for the previous mistakes of this administration.

I have a lot of faith in Mayor Powell. He has done a wonderful job in the time he has been mayor. I believe that he and every mayor in the regional municipality of Hamilton-Wentworth have worked hard with their councils and with their staff to keep their taxes down. They see a budget that will require taxes to go up, which will throw their budgets entirely out of whack, not only, as the regional chairman said, this year but every year thereafter. It will do nothing to create jobs, it will do everything to put people out of their houses.

I had the privilege of meeting with the president of McMaster University. I want to tell the members, Dr. Alvin Lee has done a marvelous job in bringing the spending under control, bringing it into line and endeavouring to do what he can to ensure the university continues to offer the very high standard for which it has had a fine reputation. But it is going through very difficult times and this budget has been a blatant attack on its annual budget. It is, unfortunately, looking at even higher deficits.

I am not, by any means, necessarily attracted to the philosophies of President Reagan of the United States, but in commenting on budgets and deficit financing he said, when talking about who would pay these things off: "If not now; when?" and "If not us, who?" Frankly, I think that kind of logic has a great deal of merit.

We are going to see taxes on almost every area of activity within our educational system. That, in conjunction with the implementation of Bill 82, which I thoroughly endorse, is going to put the school boards behind the eight-ball. Again, I think it is inherently unfair.

There is the tax on candy. I guess we can sit back and say that children should not eat candy, or that children should not drink pop, or that they could have a glass of water. But these are the kinds of things that each and every one of us, when we were children, looked forward to, whether the price was four cents, five cents or 10 cents.

When I was a child they did not have a McDonald's in my area. Of necessity, I occasionally find myself rushing for an evening meal through the lineup at McDonald's. I see the Speaker nodding. I think he knows the pleasure personally derived from taking his children to, not necessarily a McDonald's, but any similar

type of outlet and the kind of joy and fun his children obtain from such a visit. Frankly, as an individual who is not a parent, when I go to such a facility I take a great deal of interest in the smiles on the faces, the laughter and joy of the children.

The tax on those kinds of items, such as French fries, a glass of Coke, a Big Mac or an ice cream cone, is an inducement for parents to make that trip either not as often or not at all. Ultimately, in the long term, it will result in the reduction of employment in those facilities and in my view such tax is ill-conceived.

I have had some letters, as I am sure all the members have had, from women in our community who really find the imposition of tax on certain hygiene items mean-minded and unfair. Frankly, there is absolutely nothing the Treasurer or the Minister of Revenue can say that will persuade me of the equity of that kind of taxation. It is inherently unfair, and must be an embarrassment to every member of the government who would be inclined to support that facet of this legislation and that facet of the budget. It must be exceedingly difficult for a Conservative back-bencher to justify that imposition of the tax.

I had to chuckle to myself this afternoon in question period when the Minister of Energy (Mr. Welch), for whom, frankly, I have a great deal of respect, commented with regard to today being Sun Day and the recognition of the solar industry. Yet, at the same time, this very government would impose new levels of taxation on solar heating devices. That taxation is poorly conceived and in the long term will not help us in any way.

**4:40 p.m.**

As Transportation and Communications critic for my party, I want the Minister of Revenue to know he is taking a very backward step in the imposition of taxes on repairs for public transit vehicles and on the cost of those vehicles in the first instance. I am mindful the provincial government pays a large majority of the cost. It would probably be in the public interest sometimes if it paid all of the cost.

We should be doing everything we possibly can to get people to use public transit. In this community, with the Toronto Transit Commission, which is a fine system, we are moving in the right direction. The decision to impose these taxes which ultimately will have to be paid by the consumer is in my view poorly conceived.

In my own area, there are contractual arrangements. I mentioned this to the minister in a

private conversation. There are contractual and customary arrangements with the regional and local municipalities on certain matters, such as the repairing of vehicles here and there, and even the casual repair of these things in the public interest and in the interest of keeping taxes down.

Those matters will have to be recorded and will invariably require all sorts of trading of paper, bureaucracy, red tape, the payment of taxes and the sending of money back and forth. The municipalities might start hiring more people on staff as opposed to sending their vehicles out. In smaller municipalities, because of the imposition of the tax, it may be prudent to hire more repair staff.

**Hon. Mr. Ashe:** Another job creation incentive.

**Mr. Cunningham:** Job creation, yes, and the minister is taking it away from the private sector. I would have thought philosophically that would be what this government is all about, but increasingly I am being persuaded from the predisposition I had when I came here in 1975.

There are the students. I do not know if the Minister of Revenue has been favoured with visits from students in his constituency office or health centre. Many students in my community cannot find meaningful employment now. I understand that for the first year in a long time Stelco is not hiring summer students.

In my day, it used to mean a great deal if one could somehow wangle one's way into Stelco or Dofasco. The jobs were sometimes interesting. It was hard work but the cheques were good and the hourly rate was just fine. Unfortunately, because of the economy and the entire economic situation, there are not a lot of student jobs in that area. Indeed, people who have been on permanent staff have not been called back.

The situation in the fall probably will be that many students will not obtain the student loans they require and will find themselves in a position where they will not be able to pay for the increase in tuition, room and board, the cost of residences and the cost of books. That is a step backwards in a province that has prided itself on equality of access to education at its higher-learning institutions. We are making a bad mistake.

The lowering of our dollar should be an incentive to people to respond to the massive, slick advertising campaign, part of a \$50-million expenditure last year, for people to come to Ontario and enjoy the great benefits of this province. But those financial benefits, that lure,



that attraction, abate quickly when one must pay the reimposed tax on meals and accommodation.

Finally, there is the role of the Legislature in this regard. We are long overdue for some serious re-evaluation of the entire legislative process. In these difficult times, it simply is not good enough for members to involve themselves in what could be characterized as partisan rhetoric on this side, partisan response from the government side, and a lot of bashing away over those 25 feet that separate us. I really think the time has come for us to have far more consultation in the budget-making process.

If anything, I would have expected that the fiasco attendant on the federal budget in Ottawa would have been a lesson for the cabinet, and particularly for the Treasurer, who, I understand from reading current journals, has some further ambition with regard to public life. I would have thought that we would have had far more consultation and a far greater effort to develop a better-conceived and more sensible approach to our budgetary process. We have not had that.

I would think that members of the Conservative back bench would be hard pressed, really and truly, to defend some of these budgetary measures: the loss of jobs in their own constituencies through increases in taxation, or the increases that are ultimately going to result in greater municipal taxes because of these budgetary measures.

I do not make these comments in a partisan manner because I really sense that we in this country and in this province are on the wrong course. I would sincerely urge the Treasurer, if he is inclined to read these remarks, and more important the Minister of Revenue, to re-evaluate some of these taxation measures and take a long look at possibly cutting expenditures and putting a moratorium on taxes for a year or two.

We are probably one of the most overgoverned, overtaxed jurisdictions in the western world. I really doubt that we are going to be able to come up with the revenue to continue to fuel our health care and education systems, and I believe we are going to be in very difficult shape if we do not endeavour to shed some of the unnecessary expenditures we see and that many members in all parties could identify quite readily.

**Ms. Bryden:** Mr. Speaker, I also will be voting against this bill because I think it is a thoroughly bad bill. It is a retrogressive step towards a more regressive sales tax. We should be moving in the

opposite direction and reducing our reliance on regressive sales and commodity taxes. Instead, through this bill the Treasurer will be getting an estimated \$800 million more in revenue from the retail sales tax in the next fiscal year. Some of the \$800 million is due to inflation, which this government is also doing nothing to stop; in fact, by this bill they are adding to it. But a great deal of it is due to the extension of the sales tax base.

A retail sales tax is considered regressive if it applies to all purchases because it hits the low-income people with the same percentage as it hits the high-income people. The low-income people have to spend all their income on food, clothing and shelter and have very little to save; the high-income people do not pay sales tax on their savings.

Our retail sales tax in Ontario had become roughly proportional through the exemptions that were built into it over the years. These exemptions were for food, household cleaning supplies, personal hygiene supplies and children's clothing. With those exemptions a sales tax can be less regressive and roughly proportional. It could actually be made a progressive tax if there were a proper sales tax credit available, but the sales tax credit the Treasurer now has in effect benefits very few people except senior citizens, who get it automatically. Other people may get it depending on their level of income; in most cases inflation has cut people out from receiving that particular tax credit.

**4:50 p.m.**

This bill is a savage and merciless attack on a number of groups in our society. It is a savage attack on women, particularly women with low incomes and those who are single parents. These women often have to use prepared-food outlets. Their children have to use them. They do not always have the time to pack lunches for themselves and the youngsters. The children will pay sales tax in the school cafeterias. If the women work in factories, they may have to pay sales tax on the food they buy from catering trucks. In effect, because women are low-income earners and because they rely on prepared foods, they will be paying a disproportionate share of that extra tax on the prepared food.

In the field of personal hygiene products, women will be paying on the essentials they must have, which have been exempt in the past and which should continue to be exempt. As we all know, they require particular products which

men do not need. It is discriminatory to tax those particular products.

Women are the ones who usually do sewing in the home and clothe their children by buying patterns and textiles to produce many of the clothes the children need. Tax is going to be put on that endeavour by women to save money.

Women are the ones who are employed by dry cleaning establishments doing repairs and alterations. Because of the tax being imposed on those repairs and alterations, the amount of work will probably go down to some extent since people will do their own repairs and alterations at home and those women will be receiving less money and may even lose their jobs.

Women, particularly pensioners and those with low incomes, are more likely to be using public transit than men, and they will be paying more in transit fares because of the tax being applied to new buses and streetcars.

We can see this is a budget discriminatory against women. It is also a budget discriminatory against a number of other groups in our society. Children and students who eat in school and university cafeterias are now expected to pay for the excesses of the government: the \$650 million for Suncor, the \$10.6 million for the executive jet, and other waste such as the \$25,000 spent last week on a single banquet for several hundred people to celebrate the 20th anniversary of the Human Rights Code. We are glad we have a Human Rights Code. We think it could be improved but we do not think this is a way of improving it.

Other people who are being seriously discriminated against in this budget are the operators of the catering truck businesses. Most of them do not have cash registers or, if they do, they are not the up-to-date ones which can take account of the new taxes they will have to collect. It will probably reduce their sales. It may put some of them out of business. It will certainly be a great inconvenience when they are serving people who have a short lunch hour and who will be resisting the additional cost. Most of the people they serve are not very highly paid or are not able to bring their own lunches.

Small businesses are also being discriminated against, because most of the new tax on prepared foods and meals under \$6 will be imposed in restaurants run by small businessmen rather than by large chains. In those restaurants, the volume of sales will likely go down because of the additional tax. Some of them also may go out of business.

Home owners and tenants are also going to pay additional tax as a result of this budget, because of the huge increases that are being loaded on to municipalities and school boards; therefore, property taxes will have to go up or services will have to be cut. In many cases, the budgets and the mill rates have already been set and the municipalities just do not have the additional money for these sales taxes which will be applied to all their construction activities, to repair work they send out and to classroom supplies.

Last week, I visited Windsor with the New Democratic Party task force which is trying to get opinions on the budget. We learned that the city of Windsor expected the budget would cost it an additional \$1.2 million in taxes. It had not allowed for this in its own budget because it came too late.

The Windsor Board of Education said the new taxes on classroom supplies and building materials would cost \$400,000. This pattern is being repeated across the province in all municipalities. They will either have to raise taxes next year or have to cut back and postpone the services and maintenance on buildings which had been planned for this year. If they go in for cutbacks we know that is simply going to add to our unemployment situation and will put further burdens on our welfare services and raise municipal taxes.

The people in Windsor also told me that the government's incentive program, through accelerated capital works, was simply not going to produce any employment, because the municipalities could not find the extra money needed to cover the nonlabour costs. Most of those accelerated capital programs for which the government is offering money cover labour costs only. Where are the municipalities supposed to get the additional money, not only for the materials themselves, but for the seven per cent sales tax on top of the cost of materials?

All these groups—women, senior citizens, children, students, small businesses, truck catering people, restaurants, home owners—are being savagely attacked by this budget, which is trying to get the funds from people with low incomes and from poor people to cover the reduction in the tax from 10 per cent to seven per cent on meals for the people who eat in pricey restaurants. It is trying to get the money from these people to cover the government's wasteful spending and the large investments that are not producing jobs, such as the Suncor purchase.

5 p.m.



If one looks at the effect of the sales tax extension, it really amounts to a 7.7 per cent tax for a family. They are almost up to the point of paying eight per cent, but not everybody is going to have that kind of an increase because some buy a smaller proportion of the commodities to which the sales tax has been extended.

A year ago the Treasurer put a \$600-million tax increase on ordinary people and nothing on the corporations. This year he has put approximately \$300 million on the average family. In addition, he has raised Ontario health insurance plan premiums by 17 per cent this year; they went up 18 per cent last year. With those increases, our tax system is becoming less and less a fair tax system and more and more a tax system that favours the rich. That is why we are voting against this bill.

**Mr. Newman:** Mr. Speaker, I rise to make a few comments on Bill 115, An Act to amend the Retail Sales Tax Act. I hope to bring to the attention of the minister some of the problems my own municipality has confronted as a result of the new tax measures.

Windsor happens to be an area of high unemployment. The minister can see it would adversely affect that community much more than it would communities where the employment index is substantially higher and where people have the money to spend in paying the additional taxes he is imposing as a result of Bill 115.

The city of Windsor has been disadvantaged in the past as a result of resource equalization grants, police grants and education grants, simply because of the change in the assessment in the city as compared to the city of London.

I would hope the minister, in his wisdom, would take into consideration some of the comments made by members in this House, including myself, and reconsider some of the taxes he is imposing. I am sure the minister is aware of the problems, but for some unknown reason the government refuses to act when it sees a municipality being disadvantaged by not getting its fair share.

Again, when economic conditions reverse themselves, the tax burden becomes so heavy on municipal property taxpayers that in my own community we have almost had a taxpayers' revolt. If the taxation continues and if the budget remains as it is, there may be taxpayers' revolts in other municipalities.

In the coming municipal elections this fall there may be dramatic changes. The "ins" are going to be "outs" and those who have spoken

quite strongly against the tax policies of this government are going to find themselves elected to public office.

Windsor was so concerned about the adverse effects of the budget that on May 28 it adopted the following resolution at a council meeting. I would like to read the resolution because it has been unanimously adopted by the council. They passed the resolution because they really believe what they are saying is true. They are not coming along and proverbially snowing the minister. The city is suffering. It is asking for reconsideration of some of the government's tax policies.

The following resolution was adopted at its meeting on May 25, 1982: "Whereas the 1982 Ontario budget presented by the Treasurer in the Legislative Assembly of Ontario on May 13, 1982, contained changes which will have a severe adverse fiscal impact on municipalities; and whereas, more particularly, the budget makes tax base changes which will withdraw exemptions from the seven per cent tax under the Retail Sales Tax Act for the following items which are essential to the operation of a municipality: trees, shrubs, bushes, seeds, seedlings, plants, bulbs, street flushers and street sweepers, buses and repair parts purchased by municipalities, materials incorporated into buildings or structures owned by municipalities and local boards;

"And whereas the removal of the above exemptions and other exemptions will also have a serious impact on the budgets of local boards and, in particular, school boards; and whereas this results in a shift of the burden of taxation to the real property tax, which is a regressive tax already overburdened; and whereas the conditional and unconditional grants provided municipalities and local boards made no provision for the financial burden; and whereas most municipalities and school boards have approved their budgets and established a mill rate for 1982 prior to the province's decision to revise the Retail Sales Tax Act;

"Be it therefore resolved that council of the corporation of the city of Windsor hereby protests in strongest terms the tax base changes in the Retail Sales Tax Act and urges the province to rescind these changes and extend exemptions previously enjoyed by municipalities"—or if the minister refuses to extend those exemptions, there is an alternative—"or provide relief in the form of offsetting conditional and/or unconditional grant payments; and further, a copy of this resolution be sent to the

leaders of the opposition parties and local members of the Legislative Assembly for their support and to the Association of Municipalities of Ontario for support and/or intervention directly to the government or through its ministers and committees."

That is the position the city of Windsor has taken concerning Bill 115, in addition to some other areas in which the government can come along and be of assistance to municipalities. Not only did the city of Windsor adopt a resolution, but so also did the Windsor Board of Education. The board generally is not one that passes resolutions unless it is very sincerely being hurt by government changes. This is a letter addressed to the Minister of Education, who was in the House earlier:

"Dear Dr. Stephenson: The Windsor Board of Education wishes to express its disapproval of the recent action of the Ontario government to impose a seven per cent sales tax on all supplies, equipment and materials that are used in and for the educational process. Fundamentally, the board is of the opinion that this additional burden should not be carried by property taxpayers who are already, in our opinion, carrying an unfair proportion of the educational costs.

"Second, the board wishes to express its concern regarding the timing of the announcement and the effective dates of the changes in the budget, which will have impact on the board's operations.

"Having completed our budget for 1982, we are now in the dilemma where we may be required to reduce the level of services that we had intended to provide or to enter into deficit spending. Both alternatives are undesirable."

**5:10 p.m.**

In this letter to the minister they also add, "On behalf of the board may I state our appreciation for your consideration of our position." I hope the Minister of Education will intercede with the Treasurer so he will reconsider some of the budget changes that are adversely affecting boards of education—not the Windsor Board of Education only but boards of education all across the province at the public, the separate and the secondary school levels, the community college and the post-secondary and university levels.

I am pleased the Liberal Party has been able to convince the government to refer this bill to committee for input by interested individuals, municipalities and other bodies or agencies. It is only through a consultative process that one can arrive at something which is fair to all con-

cerned. I know the responsibility of members on the opposite side of the House is to govern, but it is also to govern and to be fair to all the people.

Now that this is going to committee, I hope the minister and his majority across the floor will accept some of the recommendations and suggestions that will be made by those who are being very seriously hurt by these tax changes, and implement reasonable suggestions so that the imposition of these taxes will be substantially lessened on us and, more so, on those who can least afford these dramatic changes.

Although it took the minister so long to realize that the proper procedure was to go to the people and let them make input, I know that now he has accepted our suggestion he will co-operate and the majority across the House will not come along and use that iron fist to prevent the passage of something that is reasonable and appropriate.

Tax changes generally affect the elderly, the poor and the low-income people more than anyone else. If the Treasurer does not intend to consider the changes for one reason, we should at least consider them for those who are disadvantaged, soften up that heart a bit and let him put himself in the position of a lot of those people who are going to have to pay these additional taxes, people who in many instances cannot afford to pay them.

I presented a petition that was given to me by one dry cleaner from the Windsor area. Every cleaner in the Windsor area could have presented a petition in the House, but they thought a typical one would be sufficient to have the ministry reconsider the imposition of a sales tax on labour in dry cleaning. The individual who has to have a button sewn on a garment has to pay a sales tax on the button in the first place, and then the minister charges an additional sales tax after that because it goes in with labour also. So there is double taxation when it comes to just that small item, and a lot of other items could be mentioned.

Likewise, the police commission in the community expressed great concern over the adverse effects of this new budget. I do not happen to have the communication from them with me, but as I mentioned earlier, the city of Windsor is directly across from a municipality that at one time was called Murder City simply because of the number of crimes that were committed in the city of Detroit. The policing costs in a community like mine naturally have to be higher than those in a similar community in a different location. As a result, there should have



been some consideration of that by the minister when it came to police grants. Municipalities should have been considered the same as a regional area when it came to providing financial assistance to that community.

There is one other item that I would like to raise concerning an organization known as the Goodfellows in the Windsor area. They are similar to organizations with different names throughout the length and breadth of our province who provide assistance to handicapped or financially disadvantaged individuals who have limited resources or no resources whatsoever. This assistance is generally provided during the Christmas season but they also provide it through the whole of the year.

By the way, their funds are raised by a newspaper sale. The local Windsor Star provides approximately 50,000 copies of the paper free of charge and they are sold door to door throughout industry and the community. The funds raised by the community are quite substantial but the needs of the community are more substantial than the funds raised. As a result, they are always looking for some way of saving money, getting the goods and food at a cheaper price or having it donated by the various producers, packers and so forth in the Windsor-Essex-county area and others who would make a contribution to them.

They did point out one item for which I thought the minister could grant them a sales tax exemption. They buy turkeys in the off season and fast-freeze them. They can buy them in wholesale lots at certain times of the year because of the surpluses. So that they are not charged for keep in one of the freezer warehouses in the community, they bought four fairly substantial food freezers where they will keep a certain quantity of turkeys. They are being asked to pay a sales tax on those items. No one receives a single penny working for the Goodfellows. There are no administration costs whatsoever.

**The Acting Speaker (Mr. Cousens):** If I could interrupt for just a moment and bring in an announcement that has been made in the world news, I will then allow you to regain the floor. Her Majesty the Queen is now the proud grandmother of a baby boy, who was born a short time ago, weighing seven pounds some ounces, to Princess Diana.

**Mr. Newman:** May I be the first member in the House to extend my personal congratulations and best wishes and certainly hope—

**Hon. Miss Stephenson:** You cannot do it singly, you must do it for all of us.

**Mr. Newman:** On behalf of all of us, yes, I will wish that on behalf of all us, even though you, Mr. Speaker, have done that before me.

**5:20 p.m.**

I would ask the minister to consider the situation of the Goodfellows in the city of Windsor when it comes to refunding the sales tax on the four freezers that are going to provide food at a cheaper cost than if they had to pay for storage in a warehouse.

As I said earlier, no one receives a single cent in pay working for the Goodfellows. Everything is donated free of charge to the needy in the community and the amount of sales tax on that item is really small in relation to the minister's budget. He would be doing the Goodfellows in the community a real favour by refunding the sales tax on the food freezers I mentioned.

I could make other comments concerning the regressive nature of the sales tax items, but I would be even more repetitive than I have been in making these comments. I do not think the comments I made were unique or different from those made by other individuals, but unless we on this side of the House point out to members on that side the regressive nature and the difficulty they are putting a lot of people to throughout the length and breadth of the province by the imposition of this sales tax, they may not consider rescinding that tax.

**Mr. Stokes:** Mr. Speaker, I do not know of anything this government, this cabinet and this minister could have done in imposing a measure, even if they were deliberate, that would have impacted as greatly as this one does at a time when we are in economic recession, or one that would have impacted so harshly, so regressively and so unfairly on people in northern Ontario.

As the minister and all members of the House know, a sales tax is based on the retail price of any taxable item. If an article sells for \$1 in Metropolitan Toronto, this government gets seven cents. If an article sells for \$1.50 in Sudbury, North Bay or Thunder Bay, this government gets 11 cents, though it is the same article. If that same article costs \$2 in Pickle Lake, Moosonee or Red Lake, this government gets 14 cents.

It has been said by everyone who has spoken on this bill, because it has all been from this side of the House, that the retail sales tax is indeed and in fact the most regressive form of taxation

any heinous mind could devise. But they have not said what the impact was on residents of northern Ontario where, almost without exception, that base price is much higher than it is south of the French River.

I see the member for Cochrane North (Mr. Piché) standing there. I wonder what he had to say when this measure was foisted upon the people of Ontario and, in particular, on the people he has the responsibility for representing. I wonder what the member for Kenora (Mr. Bernier), the member for Sault Ste. Marie (Mr. Ramsay) and the member for Cochrane South (Mr. Pope) have to say. Was it just as much of a surprise to them as it was to us? Was the budget discussed behind the closed doors of cabinet? If not, why not? If it was, I wonder what those three honourable gentlemen had to say on behalf of people who, for whatever reason, choose to live in northern Ontario.

Why is it that whenever there is an increase in the sale price of an article, whenever there is an increase in taxes, this government does not have the wit or the will to do something to ameliorate the impact of something as regressive as the retail sales tax in this province? I introduced a resolution in this House a few months back. Not one member on the government side from northern Ontario chose to speak on it. There were two southern members who said, "We have to have the same rate of taxation right throughout Ontario." If those members feel we should have the same rate throughout Ontario, why can we not have the same dollar-and-cent value throughout Ontario?

I want to put a question to the Minister of Revenue and to the member for Cochrane North, who is the only northern member here. What do they say to their supporters in northern Ontario when they are reminded, as I remind them now, that the retail sales tax at seven per cent impacts so much more regressively upon people in northern Ontario on any item which, for whatever reason—distance, lack of volume sales or transportation cost—costs more in northern Ontario? What do the members say to those people?

I am sure there are a good many concerned Tories in northern Ontario who will be reminding the minister of that. I am sure all his caucus colleagues who have the responsibility for representing people in northern Ontario, if they are doing their jobs, must remind him that he could not have devised a more unfair method of

raising funds for all the legitimate reasons that governments need to raise funds.

**5:30 p.m.**

When the government put a seven per cent sales tax on everything across the board and added insult to injury by applying it to household plants, and cabbage, tomato and cauliflower plants—and the seeds, if one wanted to start the plants in the house—and to local governments and school boards, storm doors and storm windows, all meals and labour costs, the government knew that the measure's regressive impact would be much more heavily felt by people in northern Ontario.

Why is it that we have beer and liquor at uniform prices right across the province?

**Hon. Mr. Ashe:** What about licence plates?

**Mr. Stokes:** What about licence plates? The minister knows the genesis of the differential in the registration costs. This is not part of the bill but, since it was raised by the minister, I am going to react to it. So do not bother to call me out of order, Mr. Speaker.

At one point the price was uniform at \$10 for private automobiles north of the French River. That was done because the government at that time recognized that gasoline was more expensive in the north and—

**Mr. J. A. Taylor:** It was more expensive in parts of eastern Ontario. You know that.

**Mr. Stokes:** No, I do not know that.

**Mr. Wildman:** It was a Tory election gimmick, and the member opposite know it.

**Mr. Stokes:** I cannot ask the member for Prince Edward-Lennox (Mr. J. A. Taylor) how much he pays for a gallon of number two gasoline but maybe he could interject and tell me.

**Mr. J. A. Taylor:** Forty-five cents a litre.

**Mr. Stokes:** Forty-five cents a litre? How would you like to pay 48.2 cents a litre?

**Mr. J. A. Taylor:** I don't like paying anything, but you and I know something about pricing systems: you charge what you can get from the marketplace.

**Mr. Stokes:** Isn't free enterprise wonderful?

**Mr. J. A. Taylor:** I'm not defending any system. I'm saying that you are working in a marketplace system, and in a marketplace system—

**The Deputy Speaker:** The comments of both of you are interesting. Order.



**Mr. Stokes:** It is called grabbing everything one can get. It is called charging all the market will bear. If that is what the member for Prince Edward-Lennox wants to tell this assembly, let it be on his head.

**Mr. J. A. Taylor:** If you don't recognize the system, then you are more naïve than I thought you were.

**Mr. Stokes:** I know the impact the system is having on the people I was sent here to represent.

The minister was the one who brought up the question of the registration fee. Now that he has raised it, I can say they even screwed that up in this budget. It was \$10 for a very valid reason, and he increased it by 140 per cent for people in the north, from \$10 to \$24, and he reduced it for people like himself, who run around in Cadillacs and Lincoln Continentals, from \$80 to \$40.

**Mr. Breaugh:** Jim Taylor drives a Lada. He should admit it.

**Mr. Stokes:** Yes, let us talk about registration. Do not tell me about vehicle registration. How would the member opposite like it if he were living in Pickle Lake, he had a toothache and he had to drive 350 miles to the nearest dentist?

**Mr. J. A. Taylor:** Why do you want to bad-mouth the north? It is a great place to live.

**Mr. Stokes:** We in the north cannot afford fellows like you any more.

**Mr. J. A. Taylor:** It is a great place to live.

**Mr. Stokes:** It is a great place to live but, boy, is the government screwing it up.

**Mr. J. A. Taylor:** Do not bad-mouth your own riding.

**Mr. Stokes:** When I was coming down on the plane today somebody asked me: "When are we ever going to get rid of those rascals in Queen's Park? How long have they been in there?" I said, "I think they have been in there"—

**Mr. Piché:** You had better tell us who said that. It was not your wife, was it?

**Mr. Stokes:** No, it was not.

**Mr. Piché:** In all fairness, you have got to tell us the name of the person who said that.

**Mr. Breaugh:** Okay. It was Leo Bernier.

**Mr. Piché:** I travel to my riding every weekend, and I have yet to hear that.

**Mr. Breaugh:** Alan Pope.

**The Deputy Speaker:** Order. The member for Lake Nipigon has the floor.

**Mr. Stokes:** I wish I could remember his name, because I know he was a Tory.

**Mr. Piché:** I think you owe it to this House to come up with the name.

**The Deputy Speaker:** All right. Order.

**Mr. Stokes:** I will think of it and I will share it with the member as soon as it comes to mind.

**Mr. Piché:** I want to talk to this rascal myself.

**Mr. Stokes:** He said, "How much longer can we afford those fellows in Queen's Park?" I said: "I really cannot answer that. I do not know when they are going to be turfed out. But I can tell you that every day that passes is one day closer to that event."

I do not know of any way in which the members opposite could have alienated the people living in northern Ontario more than with this regressive sales tax.

**Mr. Boudria:** It will make them vote Liberal next time.

**Hon. Miss Stephenson:** In the north? You've got to be kidding.

**Mr. Breaugh:** Liberals are illegal north of Bloor Street.

**Mr. Wildman:** These Liberals went to Sudbury, and none of them went to the picket line.

**Hon. Miss Stephenson:** They tried it in Sudbury—and that is not really very far north—and only half of them turned up today.

**Mr. Stokes:** It is the jet lag that is getting to them.

**Mr. Boudria:** Mr. Speaker, let the record show that the New Democratic Party members are not exactly that numerous today either—not to mention the Tories.

**The Deputy Speaker:** The member for Lake Nipigon.

**Mr. Stokes:** I want to find out whether the member for Cochrane North is going to have the courage of his convictions to stand up in this House and justify the level of retail sales tax that we have in Ontario as it affects his constituents, based on the selling price of an article in Kapuskasing, Moonbeam, Fauquier or any of those communities it is his pleasure to represent. I would just like to know.

Let me tell members the final indignity. Before the imposition of this travesty on the people of northern Ontario, do members know what used to prevail? Our good buddy the Minister of Revenue used to say to the collectors, literally hundreds and hundreds of collectors of his tax in northern Ontario, "If you have

your remittance postmarked on the 23rd of the month following the month in which you collected the tax, that will be fine. As long as it is postmarked on the 23rd of May for all the tax you collected in the month of April, that is fine and dandy." Frankie boy was happy, Georgie was happy and the Premier (Mr. Davis) was happy, and all the tax collectors, that is, all the retail vendors in northern Ontario, put up with it.

**5:40 p.m.**

But what happened? They wanted to add insult to injury; so they said: "It is no longer adequate for you to have it postmarked on that date. You must have it in our hands by that date." I have a constituent who mailed his remittance for April on May 19. It did not arrive down here in Toronto on the magic date of May 23. It was a little bit later than that. So Georgie baby, flunky in the Ministry of Revenue—

**The Deputy Speaker:** You mean the Minister of Revenue.

**Mr. Stokes:** No, Georgie baby.

**The Deputy Speaker:** Order. May I bring it to all honourable members' attention—

**Mr. Stokes:** Well, if you fellows did not even know who they were, you could call them anything you want.

**The Deputy Speaker:** That is not the point. Under standing orders, need I remind of all people the member for Lake Nipigon—

**Mr. Stokes:** They change when it is convenient for you.

**The Deputy Speaker:** Should I remind the member for Lake Nipigon?

**Mr. Stokes:** That fellow over there—

**Mr. Breagh:** Not little anonymous Normie? Not him?

**Mr. Stokes:** The Minister of Revenue. He had his people write to my constituent, who happens to own the Woodlands Inn in Longlac, a very fine establishment, and say, "You have been a bad boy." They wrote him on June 4, and the letter arrived one week later, on June 11, in Longlac. It said, "Because you were late sending your money in, you are penalized \$156." Not because he did not mail it on time, but because Canada Post could not deliver it. It took a full week for the letter of penalty to be sent. If the minister expects Canada Post to deliver it in four days southbound, why can it not deliver it in four days northbound?

I am told by people who know a lot more about it than I do, and who I suspect know a lot

more about it than the minister does, that that is illegal. If he says to them that the remittance must be in by the 23rd, in law all he has to do is to be able to prove it was in the mail by that date. What Canada Post does about it, or what the people in the Ministry of Revenue do about it, is the minister's responsibility.

I want to know, and I asked the minister this last week—I have sent him two letters, two notes across the floor—what he is going to do to rectify what I think is one of the gravest injustices ever perpetrated on one of his collectors, and he cannot tell me.

**Mr. Elston:** Did he complain about it not being delivered on time?

**Mr. Stokes:** He cannot tell me.

**Mr. Boudria:** Was he concerned?

**Mr. Stokes:** He is getting conflicting information.

**Mr. Foulds:** He is giving conflicting information.

**Mr. Stokes:** No, he is getting conflicting information. My constituent has to carry the can for this ministry in northern Ontario in terms of the collection of this iniquitous retail sales tax and, because Canada Post cannot deliver, he is the one who suffers. It is yet another injustice against the north.

Will somebody across the street here be subject to that same kind of penalty? It hardly takes a week. I have a little more confidence in Canada Post's ability to deliver something across the street here in Metropolitan Toronto than in northern Ontario. That is the ultimate injustice, the ultimate indignity.

I am wondering where the people over there are coming from. Surely, when they impose something such as this, they must look to see how it impacts on those who are on limited fixed incomes. They must see how it impacts on the farm community or the small business community or somebody living in southern Ontario, in more moderate climates, as opposed to somebody living in the far north.

The government has even gone against the proposals it threw at us after the Organization of Petroleum Exporting Countries 2, where they were going to do something to cut down on energy consumption. They did it by budgetary measures, by removing the sales tax on something that is as essential as storm doors and storm windows. They know that in the north, where the temperatures can be so much more severe, there should be some little incentive for



people to be able to preserve and conserve it. They have even taken that away.

Frankly, I do not know where these people are coming from. I really do not know what the member for Kenora, the member for Cochrane North and the member for Cochrane South, the member for Algoma-Manitoulin (Mr. Lane), the member for Timiskaming (Mr. Havrot) and the member for Fort William (Mr. Hennessy) do? What do they do? What do they say to the Treasurer? What do they say to the Minister of Revenue? They are not coming from the same place I am coming from, because not only do I get complaints on a continuous basis from my traditional supporters, and a lot of them are Tory, but even the ones who do not—

**Hon. Mr. Gregory:** That's only because they think you are a Conservative.

5:50 p.m.

**Mr. Stokes:** I want to know how the government can justify the iniquitous impact of this Bill 115 so that I can tell all my constituents in northern Ontario and all the other residents of northern Ontario whom I have to speak for in the absence of any voice over there or of any notion of concern. I want to know—

**Hon. Miss Stephenson:** You presume too much.

**Mr. Stokes:** Oh no, I do not presume too much. Tell me what they say on behalf of northerners around the cabinet table. Tell me what they say on behalf of northerners when these measures are discussed in caucus.

**Hon. Mr. Ashe:** They say lots; it's privileged.

**Mr. Stokes:** No attention is paid to them. That is why I say that every day that government sits over there is one day closer to the time when those fellows should be tossed out on their ears, and the sooner the better.

**Hon. Miss Stephenson:** On a point of privilege, Mr. Speaker, and it really is a point of privilege: I am not a fellow.

**Mr. Stokes:** I will accept that admonition, Mr. Speaker, but there should be one left over there and I think it should be her.

**Mr. Boudria:** Mr. Speaker, as much as I hate to start a speech and then after five minutes—

Interjection.

**Mr. Boudria:** I will gladly give up the floor to the member for Cochrane North if he wishes to speak in favour of this tax measure. If he wishes to speak against the tax measure, I will gladly give him some of our own time, because I feel the people of this province should listen to what

the Tory members have to say about this document.

We remember the budget of last year when many of us spoke on the ad valorem gasoline tax. At that time, I believe only one member of the government party spoke in favour of that tax. If my memory serves me right, it was the member for York Centre (Mr. Cousens). Maybe this year the lone member speaking in favour of this tax bill could be the member for Cochrane North.

**The Deputy Speaker:** Back to the bill.

**Mr. Boudria:** Pardon me?

**The Deputy Speaker:** Back to the bill.

**Mr. Boudria:** Yes, that is what I said: in favour of this tax bill.

Prior to commencing my remarks, I would like to read a letter to the editor of the Toronto Sun, which I am sure the members read thoroughly every day. This letter was sent to the editor on May 25.

I will read what it says: "The Ontario Human Rights Commission should invoke the provisions of . . . Bill 7 as they apply to the . . . budget recently presented by the provincial Treasurer. Frank Miller's proposals are discriminatory! They discriminate against women, children, the poor and the elderly. If Miller thinks that the whole thing will be forgotten by the time the next election rolls around, he is mistaken. Every time I use a sheet of toilet tissue, I will remember."

It is signed by a Mr. Bud Roberts.

I think this is important, because it tells us clearly that the people of this province are not ready to forget the provisions proposed in this bill. They will remember them all the way to the next election. In the next election, of course, they will do what they should have done last time had they not been led to believe the government would "keep the promise." They will vote Liberal.

**Hon. Miss Stephenson:** Ho, ho.

**Hon. Mr. Ashe:** Just like Hamilton West: from first to third. At least we came second.

**Mr. Piché:** They sure proved it last Thursday.

**Mr. Boudria:** The minister and some of the members talk about Hamilton. This is a very interesting issue, because some of the members across the floor talked about the federal budget while the members to my left fought a provincial by-election on the federal budget and the provincial budget simultaneously and won the seat. Now they have an overnight guest in this

Legislature who will disappear after the next election as quickly as he came on the scene.

**Hon. Mr. Gregory:** You are only an overnight guest too.

**Mr. Boudria:** I realize I am a new member, and I do not intend to apologize for that, but time will tell just how long a member who was elected by speaking against the federal budget in a provincial election can hang on in this Legislature.

**Mr. Foulds:** That is what your leader was doing in Sudbury.

**Mr. Boudria:** Meanwhile, I will ignore the interjections.

**The Deputy Speaker:** Thank you, and speak to the bill.

**Mr. Boudria:** I feel that is what you would want me to do.

**The Deputy Speaker:** Yes. But you cannot have it both ways. You cannot respond to some of the interjections and then just speak to the bill when you want to. So why don't you speak to the bill?

**Mr. Piché:** Do it properly, as the member for Brant-Oxford-Norfolk (Mr. Nixon) does.

**Mr. Foulds:** You are Liberal-bashing.

**Mr. Boudria:** Mr. Speaker, I do not engage in bashing federal politicians. We have enough problems in this province caused by this government that we do not need to address other levels of government. I will not bash the federal government. I will not bash the municipal government or the school boards. I will concentrate my time in this debate to try to illustrate to this government just how iniquitous its particular taxation is.

**Mr. Bradley:** The tax on tiepins.

**Hon. Miss Stephenson:** There are certain NDP members who wouldn't be bothered by that, since they don't wear ties.

**The Deputy Speaker:** Speaking to the bill.

**Mr. Boudria:** Mr. Speaker, I will gladly speak to the bill.

I have in my hand a letter from a constituent of Cochrane North riding. I would like to read it, because it deals with this bill. It says:

"Dear Mr. Miller:

"Taxing the common people and the poor for the benefit of the rich is a very old tactic that really works to create a climate of 'bleeding for the cause.'

"In the latest provincial budget, you cleverly

avoided taxing the multinationals, internationals, banks and insurance companies, many of whose origin and transferability of expenses and incomes it is impossible to follow. Subsidizing the functions of multinationals, banks and insurance companies at the expense of common people is unfair, detrimental, inflationary and increases unemployment at the expense of directing the multiplier effect towards and for the benefit of the corporations, banks and insurance companies. Certainly you must see the statistics and observe that it is a transaction of the above parties and not the expenses of the common people that are responsible for the provincial deficit and loss of revenue.

"Are there many fringe benefits to the members and key supporters of the 'blue machine' that caused you to take the extreme position that was hinted at for a good number of years? The basic law of life, economically and socially, 'Do unto others as you would like them to do to you,' also applies to finance ministers and leaders of multinational banks and insurance companies, whether they be foreign or Canadian.

"What control the multinational banks and insurance companies did not already have over the people, the provincial government gave to them by taxing labour costs. This is a devious move to perpetuate the throwaway society mentality as well as to make us (the people of Ontario) even more dependent on corporations for goods and services we could be doing for and by ourselves.

"We want real growth, not apparent growth, and that means dealing with root causes and not playing around with symptoms.

"Your tax-paying citizen, Dan Kucheran."

This very fine gentleman is a constituent of the electoral district represented by the member for Cochrane North, a member of the government party. I hope he has responded to this letter and I hope later on, when he makes his contribution, he will read to us his reply to that letter, because we will be very much interested in seeing what he has to say.

I do believe we are at six o'clock. Can I move the adjournment?

**The Deputy Speaker:** No. The member will speak again at eight.

**Mr. Boudria:** Yes, exactly.

The House recessed at 6 p.m.



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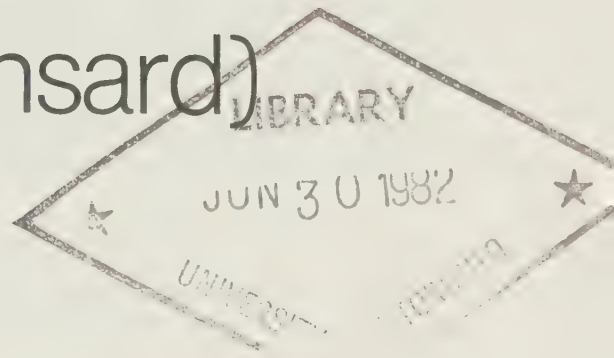




No. 81

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Monday, June 21, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Monday, June 21, 1982

The House resumed at 8 p.m.

## RETAIL SALES TAX AMENDMENT ACT (continued)

Resuming the debate on the motion for second reading of Bill 115, An Act to amend the Retail Sales Tax Act.

**Mr. Boudria:** Mr. Speaker, to refresh the memory of some honourable members, I should point out that at six o'clock I had just finished reading the letter sent to the Treasurer (Mr. F. S. Miller) by a constituent of the riding of Cochrane North.

If my memory serves me right, which I hope it does, I think we had discussed the possibility of the member for Cochrane North (Mr. Piché) reading his reply to this letter to the Legislature so we could all see what the policies of that member were concerning the taxes included in Bill 115. I certainly hope the member for Cochrane North will rise immediately after I conclude my remarks to make a brilliant exposé on the value of the legislation we are discussing tonight. We are waiting anxiously.

**Hon. Mr. Gregory:** So far you have said nothing but invite our member to speak. Why don't you say what is in your mind, if anything?

**The Acting Speaker (Mr. Cousens):** Order.

**Mr. Boudria:** Mr. Speaker, you are quite correct in saying the government whip is out of order which, of course, he is.

I will discuss the bill directly, which is what I was doing prior to the dinner hour, if his memory is long enough to recall what happened in this House two hours ago. I will continue.

I will read this article by Orland French. I think he writes very well. This is in the Friday, May 21, edition of the Globe and Mail. It is called, "A Friday Ration of Trivia." We will go through this quiz because it relates directly to this bill.

**The Acting Speaker:** As long as you are speaking to the bill on the floor.

**Mr. Boudria:** Yes. That is exactly what I just said.

**The Acting Speaker:** It is amazing you are bringing trivia into it.

**Mr. Boudria:** It says: "Here's another O'French

Famous Frivolous Friday Trivia Quiz, designed to stuff your head with a wealth of useless information about this great province of Ontario.

"1. How many provincial cabinet ministers does it take to sign a sewage contract?" The answer to that is: "Four. Three to make the speeches and one to flush the toilet. This remarkable event"—

**The Acting Speaker:** Could I ask the member to tie his remarks in to the bill under debate. It is Bill 115. I do not see how that ties in to it.

**Mr. Boudria:** The second question of the quiz is about the budget, so I am sure you will agree to that—

**The Acting Speaker:** Tie it in to the bill.

**Mr. Boudria:** I will do that.

**The Acting Speaker:** We are lenient but not that lenient.

**Mr. Elston:** It is obvious the tax should be flushed as well. I think that is the whole purpose.

**Mr. Boudria:** I think my colleague the member for Huron-Bruce (Mr. Elston) has a good point: He says the tax should have been flushed as well.

The second question is the following: "Treasurer Frank Miller has substantially narrowed the list of items which he considers essential and therefore not subject to sales tax." You can see how this relates to this bill, Mr. Speaker. "Which of the following items are considered essential? (a) Tampons? (b) Suncor? (c) Mr. Miller's brilliant scarlet plaid jacket? (d) A government jet?" I would challenge the government members to reply to this quiz later. I would think, of course, that the—

**Hon. Mr. Gregory:** It is really brilliant.

**Mr. Boudria:** You are saying it is not brilliant—

**Hon. Mr. Gregory:** Who writes your stuff?

**Mr. Boudria:** This particular thing, if you had been paying attention, was written by Mr. Orland French.

**The Acting Speaker:** Order.

**Hon. Mr. Gregory:** I know that.

**Mr. Boudria:** This is from the Globe and Mail. You have heard of that, have you not? Okay, I will continue reading.

**Hon. Mr. Ashe:** Can't you be original?

**Mr. Boudria:** I can be original, but I do not believe the minister has discussed which of the items I have just read he considered essential and which he did not. If it so pleases the minister, perhaps I could go on to some other item that will show even more clearly just what the people of this province think of the budget and the tax measures included in this bill.

I will quote here from another newspaper called the Vankleek Hill Review, which is a newspaper from my constituency. I hope the minister finds that there is nothing wrong with that. This article is entitled, Ontario Budget Stinks. This newspaper had been known to have somewhat Tory leanings at one point in the past, but I am sure that, as members can see, this is rapidly changing:

"The smoke hasn't even cleared over the recent federal budget, and here we are again facing another budget handed down by the province last week. Politicians must think Canadians are growing the green stuff in their backyards. Slowly but surely everything will be taxable if governments get their way. The latest budget fiasco not only hurts but it kills. Ontario Treasurer Frank Miller has warned he may not be finished soaking consumers. Beware of taxes on the air that you breathe."

Now, I do not see anything about taxing the air we breathe in this particular tax bill; but if it is not there it is implied, and I am sure it will be in next year's budget. I will continue reading:

"This time around, Ontarians have found out that they have to pay taxes on personal hygiene and household cleaning products, plants, pets and—can you believe it?—labour on car and appliance repairs and all food eaten or ordered outside the home. Miller had some heart by not taxing the food we eat at home. He claims it is fundamental to man's daily needs. How did he figure that out? Pretty soon food will be a luxury rather than a necessity."

**Mr. Robinson:** On a point of order, Mr. Speaker: I would like the chair's clarification on rule 19(d)(4), which deals with the matter of reading verbatim any document in this Legislature. Could I just have the benefit of your opinion on that in light of the current debate?

**The Acting Speaker:** The rule is very clear: Members in this House are not to be repetitious or to read verbatim at great length. I trust that the honourable member who has the floor will respect that rule.

**Mr. Boudria:** Thank you, Mr. Speaker. It is interesting to hear especially that particular

member talk about reading verbatim, when every single member in the back row, probably with the exception of the member for Cochrane North, who has yet to make a speech in this Legislature—

**The Acting Speaker:** The member is speaking to Bill 115.

**Mr. Boudria:** — talk about other people talking at length. I was just responding to that particular point.

**The Acting Speaker:** You do not need to respond; I already have.

**Mr. Nixon:** There he goes again.

**Mr. Boudria:** Oh, again. Well, we will have some more.

**Mr. Robinson:** Mr. Speaker, on a point of privilege: I did not indicate at any time during my point of order that I was questioning the member's speaking at length. I was dealing with the very specific procedural point covered in the standing orders, which did not have to do with speaking at length.

**The Acting Speaker:** All right, I accept that. The honourable member has made his point, and I would ask the member for Prescott-Russell to continue and to speak to his point. The bill at hand is Bill 115.

**Mr. Boudria:** I will not speak any longer to that point. I will instead just press another very important matter that is going on in my constituency right now. I am sure, sir, that you will pay particular attention to this one, and I hope the member for Scarborough-Ellesmere will do so as well.

8:10 p.m.

**Mr. Robinson:** Absolutely.

**Mr. Boudria:** I am going to read this particular article of grave concern. This is from the newspaper, Le Carillon.

"La CIP fermée pour trois semaines.

"Autres arrêts à prévoir.

"L'usine de la Compagnie internationale du Papier à Hawkesbury a fermé ses portes vendredi pour un peu plus de trois semaines, soit 24 jours, en raison de la faible demande pour ses produits sur le marché."

Alors comme vous voyez, Monsieur le président, dû aux taxes et aux prévisions budgétaires que ce gouvernement propose pour notre province nous sommes dans une situation économique qui est maintenant rendue intolérable et comme vous voyez le sujet du Bill 115 se rejoint directement aux remarques que je fais dans cet



article et j'espère que les députés du côté du gouvernement partageront mon avis à ce sujet.

En continuant Monsieur le président, "Il s'agit du quatrième arrêt temporaire des activités depuis le début de l'année, et touche environ de 410 à 440 travailleurs."

Alors, comme vous le voyez Monsieur le président, ces travailleurs qui sont présentement sans emploi dans mon comté ne sont pas en mesure de payer des taxes augmentées dans le budget ni dans les propositions du Bill 115. Ce projet de loi, Monsieur le président, affecte les électeurs de ma région d'une façon tout à fait particulière. Comme vous l'apprécierez, je suis persuadé que le député de Cochrane North le fera également. Les gens qui sont sans emploi ne sont pas en mesure de payer des dépenses encore plus grandes que ceux d'auparavant.

Comme vous le savez sans doute, Monsieur le président, mon comté a malheureusement environ de 15 à 20 pour cent des gens qui sont sans emploi. Ceci est un taux très élevé et une augmentation de taxe sans une augmentation des prestations d'assistance sociale veut dire que ces gens qui sont déjà démunis se voient dans une situation encore plus aggravée qu'ils l'étaient auparavant.

That is why it is so important, as the members can appreciate, and why this bill has particularly disastrous effects on my constituents.

It would be appropriate if we talked about waste in government spending. As the members know, the government wants to increase the retail sales tax in order to pay for some of the expenditures it is making. They should not make these outrageous expenditures, if the members will permit me to call them that.

I will give an example of spending the government is doing that it should not be doing.

One day the government printed an advertisement in a Toronto newspaper on the Toronto Bayview Clinic. That particular advertisement cost \$13,421.76. What use did that have? I would suggest it was of no use. Millions and millions of dollars are spent in this province every year telling us to "Preserve it, conserve it" and to tell our English-speaking constituents that we are not doing anything for the French-speaking and vice-versa. The amount of money spent on that kind of hog-wash is just incredible.

The government also has a buy-Canadian policy. Again, we are talking about government spending and the fact it has to raise these taxes in order to pay for this outrageous spending.

In the past, we have talked about government spending and its buy-Canadian policy. We have

talked about the fact that it seems to buy our office supplies from every country around this earth except Canada, and with the even greater exception of the province of Ontario. It seems to buy everything it possibly can from outside the province. They buy from Taiwan, from Czechoslovakia, from Germany for pencils, and from all kinds of other places to obtain the materials used by Ontario.

It seems to me that to provide employment in this province, the government should be buying at home instead of elsewhere. Of course, the members will recognize that in so doing it would generate employment and then it would not need the increase in taxes that is espoused in this particular taxation.

Members will recall, and I am sure the Minister of Revenue (Mr. Ashe) will recall, that the government of this province had these coins struck. We talked about them recently. They are medallions which say on them, "We're proud to be Canadian." They were struck in Rochester, New York by a company known as Metal Arts Co.

While this was done, most local mints were not even asked to bid on them. One of the largest firms in Canada, called Johnson Matthey, whose pamphlets I have here, was never asked to bid on that job. I had a phone call from Mr. Blais' office, and I am told the Royal Canadian Mint was not even asked to strike those coins. Instead, we chose to have them struck in the United States—

**Hon. Mr. Ashe:** It takes the Canadian government six months, which is typically Liberal. We needed them in one week.

**Mr. Boudria:** I would have the minister know Johnson Matthey told me it would take them 48 hours to strike them. Instead, the order was given to a company from Willowdale or from that area, which apparently did not even have the equipment on its premises to do the striking from the beginning. So the government gave the job to a company that could not even do it. That company had to farm the job out elsewhere and gave it to the United States, probably because of an omission in the contract that did not specify the work must be done in Canada. That was probably an omission by the government. I do not think it was deliberate. I hope it was an omission.

**Hon. Mr. Ashe:** Mr. Speaker, on a point of order: I think it appropriate under the rules that, when an honourable member is referring to a particular statistic, he should at least use

that statistic in its entirety and within context. When he is talking about a whole contract going down to the States, he quite reasonably should point out the relative numbers involved in that contract. Most of that contract remained in Ontario, in Canada, and only a very small part went to the United States.

**The Acting Speaker:** I think the whole subject as it is now developing has a hard time being applicable to Bill 115, which is under debate.

**Mr. Boudria:** I will end my remarks on that issue. The only thing I was trying to illustrate is the kind of policy this government has towards creating employment in this province and country, which is such that it is losing revenue; therefore, it has to raise those taxes. I am sure members understood how the two tied in very closely. The minister, as usual, did not understand what I said. Maybe I am not all that clear when I speak. I did not say the coins were minted in the US. I said they were struck in the US. That is the process that was done there.

**Hon. Mr. Ashe:** I know that, but you put it in the context of all the money that went to the US.

**Mr. Boudria:** That is exactly what I said. The coins were struck in the US. The minister cannot deny that. If he will, I will gladly leave the floor for him to do that, but I trust he will sit down and not do that.

I was speaking on government spending. In May, I put a question on the Order Paper relating to the expenditures of operating the car pool. There is a car pool for just about everybody in the Tory benches to use. There are also specific cars for cabinet ministers. A list of the value of those cars was given to me by the government along with the quantity of cars. The cabinet ministers and such have 31 automobiles and—

**The Acting Speaker:** I ask the honourable member, with respect, to realize the bill under discussion is Bill 115, An Act to amend the Retail Sales Tax Act.

**Mr. Newman:** This is interesting.

**The Acting Speaker:** It may be interesting, but I want the member to tie his remarks to the subject under debate.

**Mr. Boudria:** I believe I am doing so very frequently. But I will say again, just to keep this very clear to each and every one of us, the government is having to raise money with these bills because of its wasteful expenditure policy. I was just giving an example of how it is wasting money. It has 31 automobiles worth a total of

\$459,934.40 to carry these cabinet ministers around. Those are not my statistics, in case the Minister of Revenue wants to challenge them. They are his.

In the last eight months, the government has bought a certain number of these automobiles. One of them—and I do not know who drives it; perhaps it is that minister or another one who drives around in it—is worth \$19,567.09. I suppose it is absolutely necessary to drive around in a \$20,000 car, to go from here to the Macdonald block or wherever it is they go with some of those cars. Another one cost \$18,175. That is the economy model. I know you understand that.

**8:20 p.m.**

For some reason I do not understand, one of them drives a \$12,000 car. Can you imagine lowering yourself to driving a \$12,000 car? I understand it is a propane-powered Cougar. I trust it belongs to the Minister of Transportation and Communications (Mr. Snow.) I think he deserves applause for being such a thrifty minister compared to the extravagant bunch sitting around him. I am glad the government is applauding that.

If we thought that \$459,000 represented a rather exorbitant expenditure just for the cabinet, there is another \$95,000 for the cars that drive a few people like the parliamentary assistants back and forth to the airport and other places when they replace their respective cabinet ministers. There are 10 such cars and they are worth \$95,000. That is the kind of fiscal restraint we see from this government. The people of my constituency sure think this is an awfully expensive way to run a government.

**Hon. Mr. Ashe:** What car is down there for the leader of the official opposition?

**Mr. Boudria:** The leader of the official opposition's car is included in that. It is not new and it is not a \$20,000 car, as the Minister of Revenue knows. It is a mid-size car. It is not an Electra and it is not one of those really expensive ones. It may cost \$11,000 or \$12,000. The minister knows it is an ordinary car. He has seen it outside the door. That is not what the majority of the cabinet ministers drive with the exception of the Minister of Transportation and Communications.

**Mr. Foulds:** What does he drive?

**Mr. Boudria:** He drives the propane-powered Cougar that costs—

**The Acting Speaker:** I am most anxious that



the honourable member tie his remarks to the bill.

**Mr. Boudria:** Yes, Mr. Speaker. I was just doing that. I want to talk briefly about some of the—

**Mr. Hodgson:** What about the member's expense account?

**Mr. Boudria:** I am glad the member for York North (Mr. Hodgson) brought that up. This is excellent and ties in to the bill because it is spending of this Legislature. I see parliamentary assistants drawing two salaries; cabinet ministers drawing two, some three; and they are telling us that it costs a lot to have an opposition member go to his riding which is 350 miles away from here, while that member lives within a stone's throw of his riding.

I am glad that he is bringing that up when the member sitting right in front of him, who represents a constituency similar to mine, required all of \$100 worth of translations to serve his francophone community last year while I spent \$4,000 on getting translated documents that this government refuses to give to my constituents.

If that member or any other thinks that I am going to apologize for providing French services to my constituents, he is mistaken. I never have and I never will. I am going to give them the service they deserve. Maybe my predecessor did not provide them with that service.

Interjections.

**The Acting Speaker:** Order. We are on Bill 115, An Act to amend the Retail Sales Tax Act.

**Hon. Mr. Ashe:** Your predecessor translated them himself; he did not have to charge for it.

**Mr. Boudria:** I am glad to hear those remarks and, of course, tying into the expenditure of this government are my expenditures as a member. We all appreciate this is very relevant. I am glad to hear my predecessor was doing all the fine translating himself, in view of the two speeches he gave in the 14 years he was in this Legislature. They must have required a lot of translating. There must have been a lot of work involved in that. We appreciate all the hard work that went into those two speeches.

**Hon. Mr. Ashe:** Words are cheap.

**Mr. Boudria:** The minister says that words are cheap. We know words are cheap but not his words. The \$40 million spent in advertising for the government are not cheap. They are a lot more expensive than it costs the people of my riding to have me here. Last year, it cost them \$75,000 to have me here as a member.

I happen to be the member who is second highest in this Legislature, it is true and the minister has said so in either heckling or directly in the last week. I admit that. The people of my riding have sent me here and it cost them that much money. Also, they own 1/125 of the jet. The jet, divided over 125 ridings, is \$100,000 per riding.

**The Acting Speaker:** The honourable member is supposed to tie his remarks to Bill 115. Please do so.

**Mr. Boudria:** That is exactly what I am doing, Mr. Speaker.

**The Acting Speaker:** No. I have asked you several times. You are wandering off the topic. The subject is An Act to amend the Retail Sales Tax Act. I ask you now, very formally, to tie your remarks in to that.

**Mr. Boudria:** Thank you, Mr. Speaker. I was just about to say that in order to pay for the jet, the government is raising these funds. The cost of the jet over the number of ridings in Ontario is roughly \$100,000 per riding. The government should ask the people of my riding which they would like better, a share of the jet or me here as their member, and it will see which one they prefer.

As you can see, Mr. Speaker, I have tied my remarks to the bill.

I would like to deal specifically with the impact of the legislation on my constituents. The cost of constructing the Hawkesbury and District General Hospital is said to have increased by \$400,000 because of this bill. It is making the project much more expensive.

I am sure you understood, Mr. Speaker, when I said in French a while ago that our area has very high unemployment. We have been holding drives to raise funds to construct that hospital and we now see the cost increased by \$400,000 due to the policies of this bill. That deals directly with this bill, you will admit, Mr. Speaker. It is not hard to tie that in. The increase is \$400,000 because of the increased taxes in this bill.

I want to talk about a company in my riding. An explanatory note in the bill provides for taxation on trees, shrubs, bushes, seeds, etc. This is very important and I hope the minister will pay close attention. In my constituency there is a company, Manderley Sod, which produces sod for commercial sale. Their head office is located in the constituency of the member for Carleton-Grenville (Mr. Sterling).

The plant located in my riding sells over 80

per cent of its product to Quebec and herein lies the problem: dealers come from Quebec to buy the sod and carry the material back to their province. Because they pick it up themselves the material is not tax exempt. They have to pay it and ask for a refund. In the usual expeditious way that this government deals with these things, it takes them roughly 90 days to get their money back. They have to pay up to \$210 a day in taxes. As a result, they are all pulling out and are going to buy their sod from a company located in the eastern townships of Quebec.

We will lose 20 jobs unless a specific change is made to allow those purchasers a tax exemption when they pick up the material. I understand if the sod is delivered in Quebec, the tax is not charged, but if they pick it up, it is charged and they have to submit a claim for a refund. It is a very serious problem for an operator to have to pay \$210 a day in taxes, or some \$60 or \$70 a load. How much is that in 90 days? The experts sitting behind the Speaker's chair could quickly tell us that no small business can support a line of credit to that extent.

That industry has been in our riding for a long time and unless something is done, all of those people will lose their jobs. I suggest to the minister that those provisions be amended. If he will not remove the tax, he should at least allow the exemption requested so that those jobs in my constituency are not lost. I think this is important and I hope the minister will address this problem.

I will conclude my remarks by saying that I think the taxes in this bill are offensive. They are an attack on the working poor, on welfare recipients, on children, on the needy and on most people who cannot afford to pay. This is another case of a backward Robin Hood, taking from the poor and giving to the rich. This government does not deserve to be in power.

**8:30 p.m.**

**The Acting Speaker:** I would just like to make the House aware of the general time that was allotted for all honourable members and how closely that is being followed. It is truly up to you, but the government party has 54 minutes left; the Liberals two minutes, and there are 50 minutes left for the NDP. That was just an understanding the table was working on.

**Mr. Foulds:** Mr. Speaker, as is the usual case with my colleagues, I do not plan to take the whole 50 minutes. I plan to take about 10 or 15 minutes.

One of the fundamental questions we have to

ask ourselves, and the reason we are here debating this bill, is why did the government feel it necessary to expand the base of the sales tax? The only answer is a very simple, direct one. It is because of government extravagance, of government stupidity and of government irresponsibility when it comes to spending.

**Mr. Boudria:** That is what I said.

**Mr. Foulds:** It is too bad that in the three-quarters of an hour that he talked, he did not make that clear.

One of the difficulties I have in understanding the imposition of this expansion of the sales tax is why a government that is touted and known as being so politically astute did such a stupid thing. I can only assume it is because they spent the money on the wrong things. They spent the money on the polls and the polls betrayed them. What the polls showed was the people did not want an increase in sales tax but they wanted the base expanded. Until it came, as the commercial says, to the real thing and when it hit, the Tories failed to interpret their very expensive polls correctly.

What they did is they took the advice of the only minister in the House before us, the Minister of Revenue, and acted in a Draconian manner, acted like a tight-fisted, tough-fisted, stupid tax collector. That is what they did.

What happened is they introduced a tax which is not only unfair because of its regressive nature, because it taxes the poor instead of the rich, because it hits people on essential items, but it is an administrative nightmare. Day after day in this House the Minister of Revenue has not been able to tell us in any clear manner what is taxed and what is not taxed. How can we vote in this House on a bill implementing a tax when we do not even know what it will be taxing or where it will be taxing. The Minister of Revenue has been absolutely no help at all because every time we ask a question, confused George, the Minister of Revenue, the member for Durham West, does not know.

When I asked him the simple question about the barbecued chicken, he was wrong. He was simply wrong and I want to say to him that day after day in this House we have failed to have a clear definition from the government about what is taxed. We have failed to have from the government a clear statement or definition of where those goods are taxed. We saw that with the dry cleaners this afternoon. We saw that with university students' food. We saw that in terms of the items bought at a grocery store



when we illustrated it the other day with an apple, an orange, yoghurt, milk and a muffin.

I bring to members' attention an apple purchased today in the cafeteria of this building. Not only is there a sales tax on that apple, but what the people have done in the cafeteria of this building is what a number of people are going to do. They have raised the price to round it out.

This apple used to cost 40 cents. What the legislative cafeteria has done is raise the price to 42 cents so it can charge three cents tax and have a round figure of 45 cents. That is just a small illustration of the minor kind of ripoff that is going to occur to the consumer because of the ill thought out, ill-founded, regressive and foolish tax brought in by this government. That is one of the reasons we in the New Democratic Party are opposing it.

A saying that has gone around the province in recent months and was brought home to everybody because of the Hamilton West by-election is the famous saying by the member for Hamilton Centre (Ms. Copps) which was, "A Liberal is a Liberal is a Liberal." There is a parallel saying that a tax is a tax is a tax, but that is not quite true. The parallel is not quite exact because people see some taxes as being fair and some as being unfair. They do not see the Liberals as being fair one way or the other these days.

The sales tax in this emanation, in this budget, hits the people unjustly. There are two things that make this sales tax politically unpalatable and mean it will haunt the Treasurer for the remainder of his political life and haunt this government until it rescinds it. One is, if a tax is fair people are willing to pay it, by and large. If a tax is seen as being fair, people are willing to pay it, by and large. However, there needs to be a second step in the social contract about taxation. Not only does the tax need to be fair and be seen as being fair, it needs to be seen to be paying for things that are justified.

The people of Ontario are decent people. They are hardworking people and they are willing to support their fellow citizens. But they are not willing to support their government when the government uses the taxpayers' money simply to glorify itself or to pay itself, the tight thing known as government.

What citizens want from taxation is the idea and the understanding that taxation is redistributed to the other people in our society to benefit them. In other words, taxpayers give their money in trust to the government.

The reason this tax has caused such an

outrage is the people of the province no longer feel they can trust this government because the tax is being used to increase the revenues of the province—not to benefit people on welfare assistance, because there is no increase for them, not to increase public transportation, because there is no increase in service there, not to benefit people in northern Ontario who need assistance with transportation costs, Ontario health insurance plan costs, hospitalization or health care because there is no increase in those services—but the people of the province see the government taxes as paying solely for the glorification of this government through the spending on its jet, the spending on its oil company and the spending on its advertising. It is not done on behalf of the people of the province, it is done on behalf of a sloppy, tired, stupid, short-sighted government.

My colleagues have itemized time and time again the impact on universities, on school boards and on municipalities. That is the unfair thing of all. The consumer is getting hit with this tax to help finance municipalities and the province is withdrawing taxation support from those municipalities.

**8:40 p.m.**

In my own community of Thunder Bay, just in the city council alone the additional OHIP cost is \$156,000 in a full year. This budget will cost the Lakehead Board of Education \$320,000 on an annual basis. For the separate school board it will cost, as an estimate, \$85,000. The government might as well have imposed another ceiling on the expenditure of funds at the school board or municipality level because it introduced this budget, and therefore this tax, after they had struck their budgets for the current year.

The other thing that is seen as unfair by the friends of the Tory party, those administrators and those elected officials at the municipal level, is that the government did not play straight with them. It did not let them know ahead of time, it did not consult with them and it did this after they had no ability to increase their taxes, so they will have to cut back on their budgets. They have gone through very tough budgetary processes.

One of my colleagues was saying there was an hour and a half discussion at the board of education, or it might have been the municipality, where they cut out a \$17,000 item and then the next day were hit with a budget that, in effect, cut \$250,000 from their budget. They asked: "Why should we be so cost-conscious? Why



should we try to do the decent administrative thing?"

In conclusion, there is a sense out there, very simply put, that the Treasurer did not need to tax essentials such as tampons, toilet paper and toothpaste. He did not need to tax the labour on repairs for clothing, shoes and auto repairs. The people who take their cars, shoes and clothing to be repaired are those people who need to take those things to be repaired and who cannot afford, like the Tory cabinet ministers, to buy a new suit. Those people do not run around on private business in government cars. The people who are being taxed are the very people who cannot afford to be taxed.

Finally, this budget taxes kids. It taxes jelly beans, candy bars, ice cream cones, those things that have been part of the Canadian way of life; a kid being able to go to a corner store and not having to pay tax. There is no kid who can go to a corner store these days and not have to pay tax on a confection unless he buys three jelly beans or less, because anything more than three jelly beans costs him 20 cents.

This is a tax on working people, a tax on women, a tax on kids. What has happened is the Treasurer has already hit the beleaguered consumer who is feeling the crunch because he is losing his job and because he is not getting an increase in wages that is commensurate with the cost of living. He hits them again with a seven per cent increase on food, on groceries, on the essentials of life.

We in the opposition resent that more than we can say. We resent the insensitivity and the stupidity of this government. I have a final little footnote. The basic unfairness of this tax for the people in northern Ontario was spoken to very movingly by my colleague the member for Lake Nipigon (Mr. Stokes). I want to emphasize that because the base price of everything that is bought in northern Ontario is higher—every essential good from an automobile to a hamburger, which is not taxed unless you buy it at McDonald's—we in the north are getting just a little tired of paying more than our fair share of taxes.

I sit in this House and I do not see any northern caucus member of the Progressive Conservative Party standing up in his place in this forum of debate, in this forum of responsible government and challenging the government and putting the case of his constituents. I think it is a tragedy that the members of the Tory party from northern Ontario have been bought off. They will stand up and salute. They

will vote for this lousy tax tonight at 10:15. Those who have the guts will be here and those who do not will absent themselves. But silence means consent, and they do not deserve to be in this Legislature when they are not representing the constituents who elected them, either in terms of the people who voted for them or the people from northern Ontario.

We will be opposing this tax and in the committee hearings we will be fighting tooth and nail, hour after hour, to get the beggars on the other side of the House to rescind this tax and take it back. Let them sell their damned jet. There is no need to gouge the public of Ontario to get this kind of taxation.

**Mr. Wrye:** Mr. Speaker, I want to start off by saying I think the bill we are considering tonight, out of all of the budget bills and out of all parts of the budget, is the real outrage. Not only do I think that, but there are thousands and thousands of people from all over this province, from every walk of life, who think that. That is why for the last several days and weeks we have been taking five or 10 minutes every day this House has sat to hear and to present in this Legislature petition after petition saying that various aspects of this budget, various aspects of the retail sales tax changes we are debating tonight, are wrong and should be dropped.

By my count, we have now had people speaking for every section of this bill, saying the tax is wrong and the exemption should be reintroduced. It is very strange that this government has seen fit to make only minor changes. It has seen fit to send the bill to committee. I feel very sorry for the seven Tories who are going to have to sit on that committee and who, according to the Treasurer this afternoon, will be whipped into line.

As I listened to my friend to the left just a minute ago, I hoped none of them would be from the north because, and I say this to my friend the member for Cochrane North, the parts of the budget for the north are particularly iniquitous, and he knows that. I am sure the member for Cochrane North and the member for Sudbury (Mr. Gordon) will not wish to be in their places in committee to vote to support even higher charges in the north than those of us down in the south will feel. I was in Sudbury on the weekend and I know how much that community is hurting. It is hurting almost as badly as Windsor.

**Mr. Speaker:** The honourable member's time has expired.



**Mr. Wrye:** Mr. Speaker, may I ask the House for unanimous consent to continue for nine minutes? The Minister of Revenue has indicated he will give me some time.

**Hon. Mr. Ashe:** If it is agreeable, Mr. Speaker, I would be satisfied to take the floor at 9:30.

**Mr. Piché:** Good. I am in agreement too.

**Mr. Wildman:** What is happening to our time?

**Hon. Mr. Ashe:** You can split it.

**Mr. Piché:** The member is not saying much, but he can continue.

**Mr. Speaker:** Order. Do we have unanimous consent of the House for the member for Windsor-Sandwich?

Agreed to.

8:50 p.m.

**Mr. Wrye:** Mr. Speaker, I thank you and the Minister of Revenue. In a sense I wish he had not given me the time, but rather that he had stood in his place and withdrawn at least one of these changes. I do appreciate that in the parliamentary tradition he has kindly given up the time.

I want to say at the outset, as a member from a community which is hurting, I feel the most outrageous part of this budget and the most outrageous part of this Retail Sales Tax Act is that it in no way shows any understanding of those communities which are being hit harder than others.

The changes which will tax municipalities and school boards come on top of months and months of debate which have left the school boards and municipalities exhausted and hoping they will still be able to balance their budgets.

I see the member for Brantford (Mr. Gillies) writing away there and I am sure he knows, because for months he has heard from the people of Brantford just how bad things are. Yet he will stand in his place tonight and say to the people of Brantford: "It is okay. Let your property taxes go up, let your school taxes go up, pay more at McDonald's, pay more for that puppy, pay more for those plants and shrubs."

**Mr. Kerrio:** Oh, no, he won't.

**Mr. Wrye:** Yes he will. Perhaps the member for Brantford would like to come into committee and perhaps the member for Cochrane North and the member for Sudbury, who claims he is so sensitive to the people, would like to come. Come into committee and vote with us in committee. We need only one.

Let me talk a little bit about what this budget has done. I was speaking with a member of the fourth estate, from which I came, this weekend. He was saying that neither opposition party in the debates and discussions on this bill understands what it means to be very poor. I discussed that matter with him for some time and in some sense I agree with him that this budget hurts the very poor because it taxes, as my friend the member for Port Arthur just said, toilet paper and even the very poor need toilet paper. It taxes tampons, it taxes so many of the absolute essentials of life that even the very poor, those who are literally driven to the point of starvation, need.

If one moves one step up to the working poor and the unemployed, that is where the crunch will really come. For those of us in communities like Windsor that is where we are feeling it most.

It is okay for the Tory cabinet ministers and the parliamentary assistants, with their \$8,000 or whatever they get, to go running off to Winston's and La Scala and to enjoy all the luxuries of life. In the city of Windsor for many people today, a luxury is to be able to take the wife and a couple of kids to McDonald's or Harvey's just get a night out away from home and away from the pressures they feel. Now when they get the bill and it is \$7, seven per cent is added. The members across the floor sit back and laugh and say: "What can it be, an extra 49 cents? How important is that really?"

I say to you, Mr. Speaker, and I say to the government members, when one is literally pinching pennies, 49 cents is 49 of those pennies and it may mean the difference psychologically between going out to McDonald's and staying at home in isolation for one more evening.

What about the kids? Once in a while the people who have children and who are unemployed or who are working but not drawing a large salary because they do not draw a large salary or they work only part-time, could take the kids out for a pop or an ice cream cone. Now that is being taxed. Or perhaps they wanted to buy the family a pet, but the minister did not miss that one either.

Of course the Tory majority opposite, with its big fat salaries, would not even understand what it means to have an old car and that is why they tax the cost of labour on repairs. That is why they tax patterns for clothes, because they do not make their clothes, they buy them at expensive stores. The working poor buy patterns and make their clothes because that is all

they can afford. Yet they have added a few more dollars.

I would like to know how much time I have? Is it about one minute? Let me conclude by saying this, we have about one hour and 20 minutes. I do not believe that one hour and 20 minutes from now we should be voting on this bill. I believe that in the next hour and 20 minutes some sense and reason should come to those people. They should withdraw the damned thing, sell the jet, stop the crummy advertising that congratulates themselves and start cutting costs over there.

**Mr. Piché:** Sell the jet; you are against northern Ontario, that's your problem. If I were living in Windsor maybe I would. Mention the jet once more and that's all your are, against northern Ontario.

**Mr. Speaker:** Order.

**Mr. Wrye:** The member for Cochrane North should begin to understand and know first. They should withdraw this bill. We should not vote. The Premier (Mr. Davis) will be busy gallivanting around the country and the member for Cochrane North knows it.

**Mr. Piché:** No, no.

**Mr. Wrye:** We should withdraw this bill, find the revenue somewhere else and cut the government's costs.

**Mr. Piché:** Stop criticizing. What is the alternative?

**Mr. Wrye:** There are lots of alternatives, my friend.

**Mr. Epp:** Resign.

**Mr. Wrye:** That is the best alternative of all. This bill should be withdrawn. It should be withdrawn post haste and we should bring in other cost savings, not new taxes but cost savings to make up for the revenue we will lose. Only then, and I say this sincerely to my friend the member for Cochrane North, will the taxpayers and the people of this province be satisfied. Only then will they not come into committee and demand that each and every section of this bill be withdrawn. Pass it tonight and we will fight it in committee.

**Mr. Swart:** Mr. Speaker, we oppose this bill not just because it is a bad bill, but because we in this part of the House feel this bill is unnecessary. If we had a government at Ottawa that put the public interest first, if we had a government over on the other side of the House that put the public interest first, if we had anything like full employment in this country, if we had lower

interest rates provided by the federal government, we would not need any extra tax measures in this province.

The latest figures show we are running at only 69 per cent of capacity. The actual cost of unemployment in this province is \$17 billion annually. If we had only half the unemployment we have now, and if we were running at 90 per cent of capacity, the difference in the tax at the same level would be far more than the additional taxes including this sales tax we are applying here at the present time.

We do not have that situation. The government has imposed this sales tax and other taxes. It is not unfair to say it imposed them in the worst possible way it could. This sales tax is the worst of them all.

My colleagues have covered many of the faults and every section in the bill is a fault. I do not intend to cover many of them. We know the bill provides an aggravated nuisance tax on such things as repairs by cleaning establishments. We know there is a complex application of the bill that is impossible to decipher in many instances.

I had a lifelong Tory come to me, Mr. C. Swayze, who runs the Thorold Flour and Feed Store and who also sells pets, or at least sells chickens and rabbits. If he sells them for food, of course there will not be any tax on them. If he sells rabbits as children's pets, he has to pay a tax. He says: "What do I have to do? Do I give a lie detector test to everyone who comes in to find out whether I am selling it for a pet or whether I am selling it for food where they are going to kill it and eat it?"

This tax applies to the most essential products we could possibly think of: foods, patterns, textiles, smoke alarms. It contravenes the conservation measures that the Minister of Energy (Mr. Welch) loudly touts. Of course, we know it is only rhetoric, because he will not even interfere with the gas company that now wants to assess gas rates, which will not promote conservation but which, in fact, will inhibit conservation measures.

**9 p.m.**

Worst of all about this tax, of course, is its regressive nature. We know that the average income for the past three years has not kept up with the cost of living, and those with low incomes have been hurt the most; they have seen their real income fall the most. Now we have the most regressive tax bill one can probably imagine, Bill 115. It applies even to property tax.

I have a letter here that comes from the



Niagara South Board of Education. They passed a resolution that calls on the Ontario government to rescind the sales tax and the additional Ontario health insurance plan premiums, which they are going to have to pay. They point out in this letter that they will pay \$283,000 extra in a full year because of the sales tax. This means that in the Niagara region alone the municipalities and the boards of education are going to have to get in excess of \$1 million in sales tax from the taxpayers.

We know that the property tax is a regressive tax. The government has said, "We instituted the property tax credit to make it less regressive." But what does this sales tax do? It is put on top of the tax they pay, so that a senior citizen, who may get \$500 as a tax credit and will have to pay \$600, will now find that he is perhaps going to have to pay another \$25; so his net tax will increase by 25 per cent. It is those people with low incomes who are going to have to pay proportionately by far the largest share of this increase in the property tax as a result of the sales tax.

This applies to many things. The wealthy inner society, of course, will not be paying for the cheap meals; they get the reduction on the expensive ones and all those things. It applies more to those with moderate and low incomes than it does to those with high incomes.

One of my responsibilities in this party for some time has been that of consumer prices; so I just checked today the increases in some of the consumer prices. I have been fighting to have the government intervene to stop ripoffs, and they have constantly refused to do it.

Just let me talk about a few of the articles this tax applies to. Toothpaste, for instance: A 100-millilitre tube of Colgate has increased in price by 38 per cent in the past two years, but with this tax the increase will be 47 per cent. The price of Pepsodent has increased by 26 per cent, but with this tax the increase is 38 per cent.

Toilet tissue: The price of a four-pack of White Swan has increased by 14 per cent in the past two years, but with this tax it will be 22 per cent. The price of a four-pack of Cottonelle will go up by between 26 per cent and 36 per cent because of this increase in the sales tax.

Let us talk about another item that has been very controversial: tampons. The increase in price of the Playtex 30-tampon package over the past two years has been 40 per cent; this tax means it will go up to 49 per cent. And if one uses Carefree tampons, the increase will be from 82 per cent to 94 per cent in two years.

Instead of the government intervening to protect the consumer on prices where there is a ripoff, it is aggravating the prices that consumers must pay. All these items are necessities; they are all items that people in the lower income brackets have to use in the same quantity as those in the higher income brackets. Thus it is the people in the lower income brackets who are going to have to pay the bulk of this cost.

There are many of us in this party who would like to spend much more time dealing with this issue, but because many others would also like to speak on this I am going to conclude my comments at this time.

In concluding them, I want to say this. So that the committee members can adequately deal with this whole question of the sales tax when it comes before them, the government should even yet get its economists to do an impact study so the people on the committee that is sitting and the people of this province will know where this tax is going to have an impact. As we in this party know, it will be on those with lower incomes; and if that is proven by their own people, I think even this government might have the courage to rescind it.

**Mr. Samis:** Mr. Speaker, I want to speak briefly on this bill, because the good people of Cornwall would want me to speak out against this unfair, unwelcome, unpopular and unjust tax. In the six and a half years I have been here, I have received more phone calls about this budget than about all the other budgets combined since 1974, even including Lord Darcy's 36 per cent Ontario health insurance plan tax increase and his various budgets.

The Treasurer has said in the *Toronto Star*, "Within six months they will forget the bad things in this budget and only remember the good things in it." I would suggest, Mr. Speaker, that if you were to go out on the streets of Toronto or any municipality in Ontario today, you would find out how wrong he is. This budget and his statements will be absolutely fatal to his leadership ambitions, because this budget is an absolute albatross around his neck, and for good reason.

He did not even take the advice of certain economists before the budget, for example, Ben Gestrin, chief economist of the Canadian Imperial Bank of Commerce, who said he advocates the temporary lifting of the provincial sales tax: "People would rush in and buy during the period. I think this time around the whole retail



area is very weak, and it could be a more across-the-board kind of sales tax reduction."

Lorie Tarshis, the senior economist of the Ontario Economic Council, said: "The tax cuts that I would recommend would be to get rid of all the product taxes that don't have a real social justification. I'd probably increase taxes on things like tobacco, liquor and gasoline, but the sales tax is the only revenue-maker that should go. We tax things like shoes and boots simply as a revenue device, and I think it is a lousy one simply because one of its effects is simply to raise the prices. If we are fighting inflation, what's the point of that?"

That sort of advice was totally unheeded by the Treasurer. Instead, he socked it to the average people of Ontario. He raised their taxes by between \$150 and \$300. They have to pay more for their gas, more for their OHIP, more for tobacco, more for booze. We are probably talking about \$100 a year in retail sales tax for the average family as a result of this one bill.

One only has to read the Toronto Star today to realize how bad the economy is in Ontario. The Star quotes the Conference Board of Canada, which says Ontario slid so far that it now ranks dead last among the 10 provinces in its prospects for economic growth. The article talks about record unemployment, record layoffs, record bankruptcies.

The Star article says, "Real disposable income per person will plunge from nine per cent above the national average to barely two per cent above the norm." It points out that "retail sales will grow this year by barely 4.6 per cent, a rate slower than all provinces except New Brunswick and tiny Prince Edward Island." In that economic context, in that kind of climate, this minister decides to hit the ordinary people of Ontario instead of stimulating the economy.

I worry about the growing dependence in this province on the sales tax and on personal taxes in general. In 1960, for every dollar we collected in personal taxes we raised \$1.79 in corporate taxes. With this budget, those figures have changed: for every dollar raised in personal taxes we are now raising 14 cents in corporate taxes.

In the past two years corporate taxes have declined by some 30 per cent as a proportion of total tax revenue, while retail sales taxes have increased by almost 20 per cent as a proportion of the total tax revenue. Personal income taxes have increased by more than 30 per cent as a proportion of the total tax revenue.

I wonder whether it is just a coincidence that

four of the five provinces in Canada that charge the highest retail sales taxes happen to be Tory governments, led by the Tories in Newfoundland at 11 per cent, the Tories in Prince Edward Island at 10 per cent and the Tories in Nova Scotia at 10 per cent. All the top three are Tories: the lowest in the corporate tax and the highest in the retail sales tax. There is a philosophy there: hit the little guy and give the big guys all the breaks.

**9:10 p.m.**

I wonder whether it is a coincidence that we have this increase in the retail sales tax at a time when this government has just wasted \$650 million on the Suncor fiasco, when it has wasted \$11 million on a jet that nobody needs and when it has wasted between \$20 million and \$30 million on advertising that does not serve the public interest whatsoever.

I will admit the Treasurer had difficulty because of some of the moves made by Ottawa and the economic situation, but the government has to take the full blame for the fact that it has wasted almost \$700 million public money in this province in the past year, and what it is doing is using this retail sales tax as a way of recouping some of that money. The way they have done it is to hit the average person the hardest.

There are all sorts of other areas they could have touched, but they did not have the guts to do it. They did not touch personal capital gains. They did not touch the sales tax on production machinery and equipment. They did not touch succession duty. They did not touch accelerated capital cost allowances. They did not touch inventory valuation adjustments. They did not touch dividend tax credit. They did not touch the corporation tax. They did not touch the banks.

What did they do? They hit the sales tax and the people least able to defend themselves politically. It is an unjust tax, an unfair tax, an unpopular tax and an unwelcome tax. It discriminates. It makes a mockery out of the idea that it is a discretionary tax. That was supposed to be the purpose of the sales tax: it was to be applied on discretionary items. How can members of the government look us in the face and say that soap, tampons, take-out food, storm windows, school supplies, smoke alarms, toothpaste, cleaning products, etc., are discretionary in 1982? How can they describe car repairs or appliance repairs as discretionary items these days?

Why are we the only province in Canada that charges a tax on meals costing less than \$4? Why



do we reduce the taxes for people who go out to the fancy restaurants and impose a seven per cent tax on people who go to Harvey's or a hamburger joint or a pizza place? Why does the La Scala crowd get a tax break, and why are these people hit?

Why do we freeze tax on the corporate sector and hit the ordinary people on the necessities of life? Where is the equity in these tax changes? Why not hit the expense account crowd? Why not hit the race track crowd? Why not hit the Albany Club crowd?

Why drive up the cost of living in terms of cars, maintenance, etc., when they do absolutely nothing to increase the tax on banks, land speculators and the likes of Steve Roman and the Eaton family?

This budget means higher school taxes, higher property taxes, higher transit fees, higher Ontario health insurance plan fees and, in terms of the pure sales tax portion, at least \$100 per year per family. In terms of business, especially small business, it means more layoffs, more people on unemployment insurance and more people on welfare.

I will vote against this bill.

**Mr. Speaker:** The member for Cochrane North? The member for Algoma.

**Mr. Wildman:** Mr. Speaker, I wanted to give the member for Cochrane North the opportunity to speak because I hope, if he ever does take the opportunity to speak in this House, he will speak on behalf of northern Ontario.

I oppose this bill for the obvious reason that it is the epitome of Tory tax philosophy. The philosophy, as shown in this bill, is to tax the little guy and to let the big shots off. It is a ripoff.

This bill implements a budgetary policy of the Treasurer which basically means that the ordinary families of Ontario will be paying more for goods and services that they require and the corporate sector will have an even greater opportunity to avail itself of the grants and whatever this government is providing for the corporate sector without paying its fair share.

This is a regressive form of taxation. That is why the Tories would support it and why, when they are looking for tax room and tax manoeuvrability, they would decide to increase the sales tax.

As my colleague the member for Cornwall (Mr. Samis) indicated, there were many other types of taxation this government could have used to meet the fiscal problem it has because of its need to raise more funds. But, no, this government chose instead to increase this type

of taxation, a type of taxation that has no relationship whatever to the amount of money a family makes.

It is a most regressive type of taxation and one that we in this party cannot support. In the economic situation we face in Ontario today, the movement should have been in the opposite direction. Instead of widening the sales tax, we should have been restricting it.

In the communities in my area, we have enormous layoffs. The lumber industry is almost completely shut down. The steel industry has been insulated from the downturns in the economy to this time. Now Algoma Steel in Sault Ste. Marie has laid off more than 2,000 men. The downturn in the manufacturing sector, which is related to the downturn in retail sales across this country and in North America in general, is finally spinning back into the steel industry and we are seeing a very serious economic situation in my part of the province. About 11.3 per cent of the work force is unemployed in Algoma and Sault Ste. Marie.

Instead of a stimulative budgetary policy, this government has brought in a policy that is going to add to the cost of goods and services and make it more difficult for people who are facing hard economic times to purchase the goods and services they need. So we have a continuing snowball effect. The ordinary families of this province are going to be hit very hard by this budget and this bill. For that reason, we cannot support it.

I searched for reasons why the Conservatives would introduce this bill. There are all kinds of contradictions in it. When one increases the cost of insulation products, storm doors and windows, how on earth does that fall in line with the famous "Preserve it, conserve it" ads and the philosophy of energy conservation? If they really believe those advertisements we have seen so much of were actually intended to encourage the conservation of fuel and energy in this society rather than just trying to increase the prospects of the Conservative Party in Ontario, how on earth can they justify increasing the cost of the very products that would make it possible for us to conserve energy?

I also look at the increase in the cost of meals to ordinary families. We will be taxing children through the cost of candy, confections and low-priced meals. I wonder how this minister feels about being an Oliver Twist to the Treasurer's Fagin in this whole process. He is sent out to rip off the public and the small children in this society to help swell the revenues of the Treas-



sure. The minister just sits there and says, "I am just doing what I am told by the Treasurer." I wonder whether he really accepts the fact that he has to do this or whether he is one of those ministers who are actually pressing for it.

When we had a debate in this House during question period about the tax on meals served by church groups and other benevolent and charitable organizations, I got the impression that this minister actually wanted it to be tougher than it is. He wanted to protect the private sector from so-called unfair competition from charities. He wanted all the little old ladies who work very hard making their pies at community events to collect tax for this government, thus making it more difficult for them to raise money for charitable purposes.

Instead of his being just a tax collector and implementing policy as determined by the Treasurer, I wonder whether the minister himself is actually pushing to collect more and more tax and whether the Treasurer is the one who is trying to rein in the Minister of Revenue. After all, it was the Treasurer who actually said: "We are going to ease up a bit on charities. If they do not have their events more than four times a year, perhaps we will not charge them."

**9:20 p.m.**

The tax on household products, cleaning products, smoke alarms, trees, shrubs, pets, patterns and textiles, magazines and on labour for repairs adds to the cost of living for the families of this province. They are a nuisance to those families who can afford them. They are a burden to those who are at the bottom of the income scale.

I suspect that the real crunch is going to come next spring when the municipalities and the school boards have to restrike their budgets for next year to cover the additional cost they are facing as a result of this budget. We were told that the city of Sault Ste. Marie is going to have to find, somewhere, about \$236,000; that is not even counting the additional cost to their new water and sewer project, which was announced the day after the budget. Algoma College is going to have to find an additional \$10,000 during the rest of this year.

The school boards in our area are going to face additional costs: Central Algoma Board of Education, about \$20,000; Sault Ste. Marie Roman Catholic Separate School Board, \$36,000; Sault Ste. Marie Board of Education, about \$188,000; Michipicoten Board of Education and the Michipicoten Roman Catholic Separate School Board, together, about \$14,000; and the

North Shore Roman Catholic Separate School Board about \$25,000.

All those amounts are going to have to be found somewhere in budgets that have already been struck, which means either additional property taxes, which will hit the ordinary families of this province, or cuts in services to institutions, school boards and municipalities that have already cut their budgets to the bone because of the difficulties caused by inflation.

This budget came down when those other budgets had already been set. It is very difficult for the people to adapt to this most regressive type of taxation. I wonder how the Treasurer and the Minister of Revenue can hold their heads up when they go into their own communities.

**Mr. Cooke:** They will have to have a prop.

**Mr. Wildman:** My colleague says they will have to have a prop. The only prop they have, I suppose, is their corporate friends, who know that they do not have to pay any extra tax because of this budget. But even in their interest this budget is regressive. As I said, the additional sales tax will hurt them, in that their markets will continue to be restricted and we are going to have more and more unemployment.

At a time when we should have had job stimulation, this budget is going to make for more unemployment and more hardship in our difficult economic times. For that reason we oppose this bill, and we hope the hearings before the committee will result in this government's rethinking its position.

**Mr. Cooke:** I want to begin, Mr. Speaker, by spelling out the expectations of this caucus from the upcoming hearings on this bill. I wish the Minister of Revenue would listen. I assume from the answers he has given to questions on the sales tax in the Legislature over the past week and a half to two weeks that he does not listen very often to his bureaucrats, because he certainly does not understand the implications of this sales tax bill.

When one looks at appendix A to the budget, which spells out very clearly where the sales tax exemptions have been eliminated by this budget, one really sees the ridiculous and crazy regressive approach that this government has taken. I am sure that from a political point of view, the Minister of Revenue and the Treasurer took the approach that eliminating certain exemptions would be less politically damaging to the Conservative government than taking



some other kinds of approaches if they felt increasing revenue in this budget was important.

The fact of the matter is that this budget and the elimination of exemptions under sales tax symbolize the approach taken by the Tory government of this province over a great number of years. It is regressive, it is unfair and it shows more than anything else the inequity that this government believes in under the tax structure.

When one considers that consumables such as soap, tissues, and other essential products now are subject to tax and that food sold on university campuses and college campuses, where students have no alternative but to buy their food from these outlets, is now going to be taxable, one really understands that this government has no concept, no understanding and really does not care about any form of equality or eliminating inequities in the tax system.

We have expectations from the hearings, which have been forced upon the government of this province because of opposition pressure and because of pressure from the communities and ordinary people all across this province. When the government considers them, I want the Minister of Revenue to understand very clearly that this party will not be at all satisfied unless the regressive taxation that it has imposed on the necessities of the people of this province is withdrawn before this bill is reported to the Legislature for third reading.

In other words we expect, after public hearings and after the inequities have been proven in the resource committee, that there no longer will be a tax imposed on personal hygiene and household cleaning products. If the Minister of Revenue expects that we can go out to hearings and that the government can put on the front that they are an open government, that they believe in democracy, that they believe in input from the people of this province, and then they can report back the bill for third reading with no major changes whatsoever, then the minister is more out of touch with the realities of this province than even this party believed.

Let us talk about the way this minister has responded to legitimate questions in this Legislature. Last week, when he responded to questions from my deputy leader on the inequities, there was total confusion within his staff on which items were taxed and which items were not taxed. When he failed the questions about which food items were taxed and which were

not, he expected that he was giving legitimate answers to the Legislature.

Let us take the ethnic groups that are providing a very important service to the people of Ontario by organizing the functions of Fiesta Week in Oshawa, Carousel in Windsor and Caravan in Toronto. The minister indicated they were going to be tax exempt. Maybe the Minister of Revenue will listen. Will he listen while he is straightening his tie?

**Hon. Mr. Ashe:** You are not saying anything different or new.

**Mr. Cooke:** I know the minister is not saying anything legitimate or worth while, but none the less I would like him to listen.

**Mr. Speaker:** Order, please.

**Mr. Cooke:** I ask the Minister of Revenue to respond to the following questions. Will the various large ethnic communities within this province be subject to tax on the food they sell in the fall after they have surpassed the four events and the \$75,000 gross? For example, will Oktoberfest in Kitchener be subject to tax? Will Oktoberfest in Windsor be subject to tax? Will the Winefest at the Caboto Club in the great riding of Windsor-Walkerville be taxed?

Are those items going to be taxable in the fall, or has the minister inadvertently misled the Legislature and the people of the province by saying they are tax-exempt? What will be the status of that this fall? Will they not be taxable?

Why does the minister not respond to the dry cleaners and their concerns? We met with them this morning. They pointed out the ridiculousness of this piece of legislation, whereby dry cleaning will not be taxable—

**Hon. Mr. Ashe:** Do they want it taxed?

**Mr. Cooke:** Of course they do not want it taxed. The minister should not be so silly.

On the other hand, minor repairs, some of which they charge for, will be taxable. When one goes to some of the dry cleaners in Toronto and in other places in this province, if one is missing a button on a garment, they will replace that button tax-free. If there is a major repair, which may involve a button, that button is going to be taxable.

I would like the minister to respond to me. Which of those buttons will be taxed at the wholesale level and which will be taxed at the retail level? You are pointing to the clock. Is the clock nontaxable?

**9:30 p.m.**

**Mr. Speaker:** The member's time has expired.

**Mr. Cooke:** Mr. Speaker, if I can just take two more minutes and point out to the minister—

**Mr. Speaker:** No. Your time has expired.

**Mr. Cooke:** I will just point out to the Minister of Revenue that we intend to vote against this bill.

**Mr. Speaker:** Order.

**Mr. Cooke:** We have great expectations for the public hearings on this bill.

**Mr. Speaker:** Order.

**Mr. Cooke:** I hope the minister has not misled the public by—

**Mr. Speaker:** Order. The Minister of Revenue has the floor.

**Hon. Mr. Ashe:** Thank you, Mr. Speaker.

**Mr. R. F. Johnston:** You have two minutes, George.

**Mr. Wrye:** That will be more than he will want.

**Mr. Cooke:** You have 45 minutes to dig yourself six feet deeper.

**Mr. Wrye:** The caucus made you do this.

**Mr. Martel:** The Treasurer did.

**Mr. McClellan:** Where is the rest of the cabinet, George?

**Hon. Mr. Ashe:** Mr. Speaker, if I had known all this was going to come from the members of the third party, I would not have given up the 10 or 15 minutes to them. Obviously, some members over there feel the extra time was only to abuse the privilege and not to respect the agreement that was made.

In the past four hours, approximately, I have heard a total of 13 speakers. I am not quite sure if that number is significant or not, but from the 13 speakers I heard many of the same things 13 times. We can probably agree on that without any great problem.

What I am going to try to do over the next short while is touch upon some of the questions and issues raised by the members without trying to get too repetitive, albeit there is no doubt some of the issues do cross one another. Then I will review some of the other issues I think are relevant to the piece of legislation in front of us.

The opening speaker, the member for Rainy River (Mr. T. P. Reid), from whom we have heard on many, frequent and lengthy occasions prior to today—although I must say he was rather charitable today and with only about half an hour gave our ears a bit of a break—touched upon the whole concept of the retail sales tax.

He made the reference that it was a regressive tax, it was inflationary and it hits all alike.

I do not agree with that conclusion. Statistics will prove there is no doubt at all that everybody who makes purchases, which, granted, is from the very low income to the very affluent, pays at basically the same level. Nobody can argue with that.

One would find there are many ways within government that those at the lower end get back further credits towards the taxes they pay, either through the tax credit program for those who file income tax forms or through the sales tax grant program for seniors. These relate, particularly through the income tax, to the lower- and middle-income people who get back more of a credit than those in the upper income levels.

The other thing is there is no doubt at all in the statistics, and one does not have to be a mathematician to bear out the fact, that those who earn more money, spend more money. Those who spend more money obviously pay significantly more in sales tax.

**Mr. Cooke:** Mr. Speaker, on a point of order: I do not see a quorum.

**The Deputy Speaker:** A quorum has been called; call in the members.

**Hon. Mr. Ashe:** Mr. Speaker, you are quite in order but we could have done that on them all day long and did not. That will be remembered. Just remember that tomorrow and the next day.

The Deputy Speaker ordered the bells to be rung.

**9:39 p.m.**

**The Deputy Speaker:** A quorum is present.

**Hon. Mr. Ashe:** Mr. Speaker, I think it is extremely important to have it noted on the record that the member for Windsor-Riverside (Mr. Cooke), who called the quorum, made up 50 per cent of the representation of the third party in the Legislature at that time and now is still absent himself from the chamber.

Interjections,

**The Deputy Speaker:** Let us not be provocative.

**Mr. Cooke:** On a point of privilege: I might point out that I know the Minister of Revenue was elected in 1977 on June 9, the same year I was, but even I know it is the responsibility of the government and not of the opposition to keep a quorum in this House.

Interjections.

**9:40 p.m.**



**The Deputy Speaker:** I call to order the member for Windsor-Riverside, the member for Port Arthur (Mr. Foulds), the member for Scarborough West (Mr. R. F. Johnston), the member for Sudbury East (Mr. Martel) and the member from Mississauga.

**Mr. Martel:** On a point of order—

**The Deputy Speaker:** I am on my feet at the moment.

**Mr. Martel:** Pardon me, Mr. Speaker.

**The Deputy Speaker:** The member for Sudbury East on a point of order.

**Mr. Martel:** Mr. Speaker, I was here when the quorum was about to be called and there were six of us here. There were more New Democrats, with 21 members in this Legislature, than there were Tories. There was one cabinet minister and three other Tories over there. It is their bill and we do not have to man this House or have the quorum. If the minister wants to do it proportionately, he should get his trained seals in here. He should not tell us who we are supposed to have in here and who is in control. They are supposed to be in control over there and should get their members in. It is their bill, not ours.

Interjections.

**The Deputy Speaker:** The member for Windsor-Riverside, the member for Sudbury East will come to order. The Minister of Revenue has the floor.

**Hon. Mr. Ashe:** Thank you, Mr. Speaker. One thing we know for sure is that we would not count on the third party to provide a quorum because they would need all their members in here just to make 20.

**Mr. Martel:** At least they come around, George. That's more than your party will do.

Interjections.

**Hon. Mr. Ashe:** When you are down in the low numbers percentagewise, you are doing better with every one it increases, I agree.

Mr. Speaker, let me go back to some of the points that have been made by the members. The member for Rainy River talked about the so-called contradictions in this particular piece of legislation and said that the Treasurer had no idea of the implications in the budget.

I would suggest that there is no jurisdiction in Canada that has a budget process that is as consultative as the one which was established in Ontario a considerable number of years ago and which has been carried on by the present Treasurer. We have more input, listen to more

organizations and more people in coming up with our budget than any other jurisdiction across the breadth of Canada. This is not a new phenomenon; it has been going on for a number of years.

The member for Oshawa (Mr. Breaugh) then took the floor and we both agreed on one thing, that nobody likes taxes. He indicated that, in his view, the way of this particular bill was unfair. He used the example of the buns and, as usual, was incorrect. If he reads what he said in Hansard he will see his own error. I will not bother pointing it out.

He indicated that even as late as today there was no clear indication as to the direction for Caravan, Carousel, Fiesta and so on, although last Thursday it was made so abundantly clear that even he could understand that the implications for Caravan, Carousel and Fiesta were that they all would be tax-free.

**Mr. Breaugh:** A point of order, Mr. Speaker: If the minister does not like the interjections from this side of the House, then he should have the members on that side of the House not misrepresent what was said. What was said this afternoon was that specifically in the case of Fiesta Week, they have actively sought to get an opinion from the minister in writing. As of yesterday evening they had not yet received that.

It seems to me that since the regulations require he does inform in writing, to make the regulations clear to people who are supposed to collect the retail sales tax, that would be an obvious thing for the minister to do. As of 7:30 last night, they had not received any written comment for interpretation.

**Hon. Mr. Ashe:** Mr. Speaker, as late as yesterday or as late as today, any information that was given to Fiesta was given in the same way the question was asked. I have not as yet had any written request from them. Any request that has come verbally either through members in this House or directly from some members of the committee have been answered in exactly the same way.

There were representations by the member for Oshawa on the tax bills. He read some background references of tax bills not being legal versus precedence, versus retroactive law. He really answered his own question. I do not think there is any great dispute on the legality in that context. Again, I have answered that question about the retroactivity and when we would start to enforce the law, not only in here but outside the Legislature to the press.



The big part of the issue, of course, is that the bill quite traditionally is retroactive to the date of the imposition of the tax or change in the tax. In some cases it is to the night of the budget, in some cases to May 25 and in other cases to Monday of last week, namely June 14.

The member for Wentworth North (Mr. Cunningham) made reference to the tax on accommodation that has been reimposed. Let me just clarify the record for his benefit—

**Mr. Breagh:** Mr. Speaker, the Minister of Revenue just said that all inquiries about Fiesta, Caravan and Carousel have been answered in kind. That is to say if they were phoned in they were answered by phone. I want the record to show that on June 16, a letter was sent to the minister and hand delivered by myself and the member for Windsor-Riverside. That letter has certainly not been answered in kind.

**Hon. Mr. Ashe:** Mr. Speaker, as usual he was not listening. I made specific reference to Fiesta which is the one he had referred to previously. I did not mention Caravan or Carousel.

**Mr. Breagh:** Mr. Speaker, on a point of order.

**The Deputy Speaker:** Minister of Revenue, you are not helping matters.

**Mr. Breagh:** Mr. Speaker, I hesitate to read this into the record. I want to make it clear that Fiesta Week in Oshawa is one that was clearly identified in my letter to the minister.

**Hon. Mr. Ashe:** Getting back to the member for Wentworth North and the tax on accommodations that has been reimposed—

**Mr. Martel:** Ignore it, George. Pretend it wasn't there.

**The Deputy Speaker:** Order, the member for Sudbury East.

**Mr. Martel:** No, he said it.

**Hon. Mr. Ashe:** Let me again clarify for his information that the tax on accommodation was not reimposed in this budget. In fact, the tax on accommodation was reduced from seven per cent to five per cent. In case he has been giving some incorrect information on some inquiries I just wanted to correct the record for him.

The member for Beaches-Woodbine (Ms. Bryden) referred to the lost jobs because of the clothing repair tax. If there was any particular issue that was ever put grossly out of perspective that has to be the one, particularly with some of the points being made by other honourable members. I stand to be corrected on the figures but I think the point is still valid.

Out of a great sum of money that was being collected within a particular dry cleaning establishment, a relatively small sum—I think it was something like \$112—was all that was collected for repairs over this period of time. If \$112 compared with, I think the other figure was something like \$2,200, is going to put a lot of people out of business then they had better get their information together. Obviously, that is grossly misstated and meant as a scare tactic. It is not borne out by the facts.

9:50 p.m.

**Mr. Cooke:** Have you talked to the dry cleaners?

**The Deputy Speaker:** Order. The Minister of Revenue has the floor.

**Mr. Cooke:** The minister is giving false facts.

**Hon. Mr. Ashe:** If the member would listen, I said the member for Beaches-Woodbine (Ms. Bryden) said, in talking about lost jobs on the clothing repair tax, there would be a lot of jobs lost.

**Mr. Martel:** Right. Your stupid little tax gets rid of a job in Sudbury at the YMCA. Ask the member for Sudbury (Mr. Gordon) behind you, because he has been there. Since they went to him first, didn't they lose one job—

**Hon. Mr. Ashe:** That same member spoke about what is in her view the discrimination in the tax against females, small businesses, coffee trucks, home owners, and to use again her words, "the huge increases that were being imposed on home owners because of the tax changes." Again, if a 0.4 per cent impact on average upon local budgets is a huge increase, then I am not quite sure what jurisdiction she represents. I doubt if it is within Metropolitan Toronto, which I happen to know is where her riding is.

She made another point that escaped me. She mentioned that it worked out as an actual 7.7 per cent increase upon many families. I am still trying to work out the arithmetic of that, but maybe she can pass on to me in some written form her methodology. How does seven per cent become 7.7 per cent? I would be interested in seeing that. It might be something we can use to increase the revenues of the province by compounding, but it did escape me.

The member for Windsor-Walkerville (Mr. Newman) talked, quite rightly and quite legitimately, about the problems being experienced in the city of Windsor. I do not think anybody would in any way belittle the problems besetting many municipalities within Ontario, particu-



larly those that are greatly dependent on the automobile industry.

I do not agree with the context of the tax revolt reference that was being made. As a matter of fact, I think the members would find, if they looked at the tax components in Ontario versus other jurisdictions within Canada, or versus other jurisdictions within the United States, if one wants to get into property tax, Ontario stands at the lower end in many forms of tax, in the middle in most, and at the top end of the tax scale in very few.

A reference was made to the Goodfellows and the excellent job I am sure they do in their community, as the member pointed out, as do many other organizations in many parts of the province. One of the problems with trying to create individual exemptions for very legitimate purposes for organizations such as that one—I can assure the members I think any one of us, myself included, could rationalize why the Goodfellows and their good efforts on behalf of the community could be exempt from tax on, in this case, freezers—but the unfortunate follow-up of that kind of a decision is that there are literally hundreds and thousands of organizations that can put forth, in their view, an equally substantial case as to why they should not have to pay tax for a particular purpose.

That is a problem in two ways. One is the actual administration of all the perceivedly legitimate requests and, two, once again, is the overall significant impact on the revenues of Ontario. Although I sympathize with the particular point the member made on behalf of the Goodfellows, frankly it would be impossible to comply with it.

The member for Lake Nipigon (Mr. Stokes) referred to sales tax in the context of northern Ontario. I cannot disagree with him. Being a retail sales tax, and based on the price that is paid at the retail level, when there are added costs, regardless of the reason—and legitimately transportation is one that can have some significant effect in the north—there is no other way reasonably and equitably to take care of that difference. I would suggest to the honourable member there are many other ways in which this government over the years has recognized the different kinds of problems in northern Ontario.

I will use a couple of examples. We did touch on one this afternoon, the automobile licence, which I know the member took some exception to. I do not think this is the most significant one; it is one that is maybe more obvious to more people on an annual basis.

I will point out a couple of others. Resource equalization grants generally are more favourable to communities like those in the north. I point out that in many of the grant programs, such as Wintario, the percentage involvement of public funds is more significant, usually to the extent of being 100 per cent greater, than in similar organizations providing similar facilities in my riding, as an example, and all of those in southern Ontario. So I think the distinctive problems of the north are recognized in other programs, albeit—and I will acknowledge this—not in the sales tax area per se.

The member for Welland-Thorold (Mr. Swart) was in opposition to this bill not just because of the nature of the bill but because the bill was unnecessary in itself. I find this very amusing coming from a member of the party that literally daily is constantly at this government with suggestions and prodding as to why we are not spending more on this or that program or this or that person. We all know, at least all the members on this side know, this money does not come out of the air; it comes out of the taxpayers' pockets in one form or another. The retail sales tax is just one source of revenue which has been utilized very fairly and fairly judiciously by this government over the years.

The member for Cornwall talked about the long-standing negatives, in his view and in the view, apparently, of some of his constituents, about the budget, and he said the long-term benefits would be long forgotten. Of course, I disagree. There are many very positive parts of the Treasurer's budget, which we will be getting into in more detail in the next few days in other legislation, so I am not going to take time to dwell on them tonight. But I do want to point out that many of the things we are talking about that are supposedly causing problems are really a matter of adjustment or of reaccustoming oneself to them.

The question was asked, if we do need more money why did we not, for example, touch succession duty taxes, among others. I just point out that the Succession Duty Act was repealed quite a number of years ago and would have to be resurrected rather than just touched, if we were going to get back into that area.

The member also made the comment that corporation tax revenue has been decreasing as a percentage of the total provincial revenue over the last couple of years. Generally speaking, that is true. I know members of the third party think all corporations make all kinds of money all the time; but, believe it or not, the



declining revenues generally indicate what some corporations, both large and small, have been saying statistically for some time: that things are not really all so rosy within the corporate sector and that all corporations do not make piles of money all the time, contrary to the views of the member for Cornwall.

I will not go into any great detail on the matters the member for Algoma (Mr. Wildman) touched on. Basically there was nothing new in what he said other than the reference to "preserve it, conserve it" and how some of the parts of the budget were contrary to that. Yes, it is true some of the conservation tax relief measures that were put in on a temporary basis in the budgets over the last couple of years—and they were always intended to be temporary—have been removed. I should also point out that within this particular document there is a further plus, if you will, for the conservation area, in that existing exemptions for licensed vehicles powered exclusively by fuels other than gasoline or diesel have been expanded to include licensed vehicles that can be fueled by both fossil and alternative fuels, including conversion kits.

**10 p.m.**

This is an attractive option that many private individuals as well as small corporations in both the private and public sectors have been looking at. We think this is an incentive to have more organizations get into the experience of using the dual-fuel type engine.

The member for Windsor-Riverside was referring, in his review, to the confusion about Oktoberfest, etc. I think last week that was made abundantly clear. Once again, I will answer the question I think I have now answered at least three or four times vis-à-vis the \$75,000, Oktoberfest and the relationship of Oktoberfest to the spring and summer festivals such as Fiesta Week and Caravan. For organizations that would normally qualify, four is not the key criterion; if there is an irregular number, of which four is an example being some quarterly event, the \$75,000 is the key component.

If an organization is regularly in business and derives that kind of gross revenue, I suggest it would have to be a pretty big operation. Seventy-five thousand dollars is a significant volume of business. Once it passes that threshold, it would be in a tax category. That is exactly what we have been saying right along.

**Mr. Foulds:** No, it is not. It may be what you

said outside the House, but it is not what you said here.

**Hon. Mr. Ashe:** That is exactly what was said. The member can look back and see what it says. He had better get his hearing aid on.

That is consistent. The \$75,000 is a 50 per cent increase from the previous regulation, which was \$50,000. I think the \$75,000 threshold allows most organizations that are legitimately in fund-raising for very good purposes—and nobody disputes the excellent purposes for which the funds are being used—lots of flexibility. I suggest organizations that are in volumes that go beyond that in any given year are probably into businesses and probably should pay tax accordingly.

**Mr. Cooke:** On a point of order, Mr. Speaker: I am sure the Minister of Revenue would not want to mislead the House on purpose, but the fact of the matter is the \$50,000 exemption, if inflation is factored in, should be \$85,000. So the Minister of Revenue is giving nothing to the various ethnic groups; in fact, he is cutting back on the exemption. I would not want him to mislead the House.

**Mr. Breagh:** Mr. Speaker, might I just correct the record?

**The Deputy Speaker:** Is it a point of privilege, a point of order or to correct the record; what standing order? I have often heard the member for Oshawa deliberate so eloquently on the standing orders and abiding by them.

**Mr. Breagh:** The minister has just spoken about all this clarification and how he has been clear and consistent. I want to quote from the Ottawa Citizen, June 3, where the Treasurer is quoted as saying, "These churches, charities and nonprofit organizations will be allowed to stage two tax-free meals a year provided net profits are \$1,000 or less. Mr. Ashe said Monday that all meals sold at church booths, including those events like the Central Canada Exhibition, would be subject to provincial sales tax under the budget."

I want to quote a third source, "Revenue official Jim Wilbee said churches, charities and nonprofit organizations will be restricted to one tax-free event a year, provided it does not make more than \$1,000."

That is only three variations of the same one. That is hardly consistent.

**Hon. Mr. Ashe:** Of course, I do not know the dates for what was referred to.

**Mr. Breagh:** It is June 3 in the Ottawa Citizen and quoted in the article are the Treasurer,



the minister and a senior tax official, all giving three variations of the same policy.

**Hon. Mr. Ashe:** I cannot speak for the correctness or otherwise of the news media in the province, particularly in another jurisdiction, so it is quite conceivable.

The member for Prescott-Russell (Mr. Boudria) did not say anything particularly relevant that had not been said before except for the question about Manderley Sod. I would like to touch on that in two ways. First, I was aware of the issue before the member brought it up today.

**Mr. Boudria:** They wrote to you.

**Hon. Mr. Ashe:** Yes. We are examining the issue to see if we can reach some agreement with Quebec authorities.

Second, I want to correct the record in terms of how long it takes for those who go the route of having to pay the tax to get a refund. The member referred to 90 days. If a firm puts in a request for a refund on a regular basis, the normal time for a refund of that nature is two to three weeks. I would suggest two to three weeks is considerably different from the 90 days referred to by the member.

I am not 100 per cent sure of the cash or credit basis Manderley is on with the people it is supplying in Quebec, but unless it is on a cash basis it is probably on a net 15 or 30 days. The actual payment of the bill and the refund could be practically coincidental.

**Mr. Boudria:** So you want Manderley to finance your taxes. That is what you are saying. You want Manderley to carry the cost.

**Hon. Mr. Ashe:** Why does the member not listen for a change?

**Mr. Boudria:** That is what you said. You want business to carry your taxes. The record is clear.

**Hon. Miss Stephenson:** There is no point.

**Hon. Mr. Ashe:** That is true. In closing, I want to put a couple of very relevant pieces of information on the record which have been sadly overlooked in this whole debate on Bill 115 and the relevant budget debate we have had to date.

If this government had not had a shortfall of nearly \$300 million in anticipated transfer payments from the federal government, it is quite conceivable to suggest that there would not have been any changes in the retail sales tax field. The net revenue generated by all the changes in the retail sales tax area is coincidentally approximately \$300 million, just about the same amount the federal government is shorting

Ontario in transfer payments in fiscal 1982-83. It is just part of the \$1.9-billion shortfall over the next five years.

Many of the members have been chatting in this debate and suggesting that in many cases these taxes were being levied for the first time, that they had never happened before and how awful it was for the government to come up with all these new taxes. For the record, I would like to repeat once again, as I did earlier today, that many of these items were included in sales tax legislation in the past. For example, trees, shrubs, bushes, seeds and plants were in the Retail Sales Tax Act until 1973.

**Mr. Nixon:** You took them off before the election and put them on after.

**Mr. Speaker:** Order.

**Hon. Mr. Ashe:** The exemption for personal hygiene and household cleaning products went into effect in 1974. Keep in mind that we are talking about the Retail Sales Tax Act which has been in effect for 13 or 14 years. Street flushers, street sweepers, classroom supplies, student supplies, household pets were all in the act of 1973. Clothing patterns, textiles and trimmings were exempted in 1979. They had been in there up to and including 1979. Smoke alarms were also exempted in 1979, so that has only been exempted for two years. They are now being added in. It is not a new phenomenon to change the tax base.

**Mr. Cooke:** If these items were taxable at one point, why were the exemptions brought in if it was such a good idea to tax them in the first place? Will the minister explain that?

**10:10 p.m.**

**Hon. Mr. Ashe:** Mr. Speaker, there is no doubt that the priorities of a government change over the years. The pressures put on a particular sector of the economy lead to the need for assistance from time to time. It is funny the same honourable member did not ask the government why we removed the sales tax on automobiles for a temporary period of time when that sector of the economy needed some help. I suggest that many exemptions grew over the years for the exact same reason. Fiscal responsibilities change, and the needs within the economy change.

May I also point out that the Treasurer in his budget in 1981, contrary again to the views of some here, gave one year's notice, as a matter of fact, that the whole issue of the tax base, the exemptions then in effect, and the base itself were under review and that, if anything, the

exemptions would be removed or reduced in the not-too-distant future and that the tax base itself probably would be significantly expanded. With the need for money, that decision was quite consciously made in this budget of 1982.

**Mr. Wrye:** We did not realize your review was a Marty Goldfarb poll. That was your entire review, one question in a Goldfarb poll.

**Mr. Speaker:** Order.

**Hon. Mr. Ashe:** The Treasurer no doubt had many issues before him. I think it could have been very easy for him to say, "Sure, we will just raise the rates to eight or nine per cent." That is what the press were anticipating anyway. There probably would have been a bit of grumbling and that would have been it, no flak.

**Mr. Kerrio:** Or he could have cut down on the expenditures.

**Hon. Mr. Ashe:** Why don't you shut up for two minutes?

**Mr. Kerrio:** That is not parliamenatry. Mr. Speaker.

**Mr. Speaker:** Order.

**Mr. Cooke:** Don't be nasty, George.

**Mr. Swart:** You are as mean as your legislation.

**Mr. Mackenzie:** You can't even do a good job of being mean, George.

**Hon. Miss Stephenson:** We certainly can't live up to your level.

**Hon. Mr. Ashe:** No, I sure would not want to live up to the member's level. If I ever got as mean and grimy as him, I think I would want to bury myself, I really would.

**Mr. Speaker:** Now back to the bill.

**Mr. Foulds:** On a point of order, Mr. Speaker: The Minister of Revenue has called a member of this Legislature grimy. I believe that is unparliamentary and he should withdraw it.

**Mr. Speaker:** I did not hear that and I would have to ask the minister whether he did use that word.

**Hon. Mr. Ashe:** Yes, Mr. Speaker.

**Mr. Speaker:** Now we have it confirmed. You have apparently offended the sensibilities of one of the members and he has asked you to withdraw it.

**Mr. Wildman:** If you wouldn't tax soap, we wouldn't be grimy.

**Hon. Mr. Ashe:** Mr. Speaker, I will go along with your ruling, of course, but I suggest we look

up the dictionary and see what the word "grimy" means.

**Mr. Speaker:** I quite understand what it means. I don't think we have to look it up in the dictionary.

**Hon. Mr. Ashe:** I would suggest to you that "grimy" in the context it was being used—we were talking about burying people—is really not wrong. But if it offends you, Mr. Speaker—

**Mr. Speaker:** It does not offend me. I suggest you go on referring to the bill.

**Hon. Mr. Ashe:** I would be very happy to withdraw the reference to "grimy," Mr. Speaker.

**Mr. Speaker:** Thank you.

**Mr. Breaugh:** You grimy little thing, you. You are grimy, George. Why are you trying to grime your way out of this? What a grimy little creep.

**Mr. Speaker:** Order.

**Hon. Mr. Ashe:** The only reason is it would probably be more appropriately put to many other members over there.

**Mr. Cooke:** Don't be so sleazy, George.

**Hon. Mr. Ashe:** Listen to what is talking, the sleazy of the sleaze. It comes right from that one.

**Mr. Speaker:** Never mind the interjections. The member for Oshawa with something.

**Mr. Breaugh:** I just thought it should not go unnoticed, Mr. Speaker, that tonight the word "grimy" has been accepted as parliamentary language from a minister of the crown. I am sure in the future—

**Mr. Speaker:** That's not true. He withdrew it.

**Mr. Breaugh:** I did not hear any ruling, and you just allowed him to use the word "sleaze" and enter that into the parliamentary record.

**Mr. Speaker:** Order. I quite clearly heard the minister responding to somebody else who had used the same language.

**Mr. Foulds:** On a point of order, Mr. Speaker: I say with great seriousness that in the rules of debate you are required under standing order 19(d) to call any member to order, on either side of the House, when that member "uses abusive or insulting language of a nature likely to create disorder."

I say to you with great seriousness, if you expect this Legislature to conduct its business in an orderly manner, it is your responsibility to call all members to order when language is used that is likely to create disorder. If you look around you this evening and say this is an



orderly debate, then I submit to you that it is not.

**Mr. Speaker:** Order. The member for Port Arthur is completely out of order. As you have quite correctly pointed out, it is my responsibility to make those decisions and I shall indeed make those decisions without being reminded by you or anybody else in this House. The minister's time has expired.

**10:30 p.m.**

The House divided on Mr. Ashe's motion, which was agreed to on the following vote:

#### **Ayes**

Andrewes, Ashe, Baetz, Barlow, Bennett, Bernier, Birch, Brandt, Cousens, Cureatz, Dean, Drea, Elgie, Eves, Fish, Gillies, Gordon, Gregory, Grossman, Harris, Havrot, Henderson, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Kolyn, Lane, Leluk, MacQuarrie, McCaffrey, McCague, McLean, McMurtry, McNeil, Miller, F. S., Mitchell;

Norton, Piché, Pollock, Pope, Ramsay, Robinson, Rotenberg, Runciman, Scrivener, Sheppard, Shymko, Snow, Stephenson, B. M., Sterling, Stevenson, K. R., Taylor, G. W., Taylor, J. A., Timbrell, Treleaven, Villeneuve, Watson, Welch, Williams, Wiseman.

#### **Nays**

Boudria, Bradley, Breaugh, Bryden, Cassidy, Charlton, Conway, Cooke, Cunningham, Di Santo, Edighoffer, Elston, Epp, Foulds, Grande, Haggerty, Johnston, R. F., Kerrio, Laughren, Mackenzie, Martel, McClellan, McGuigan, McKessock, Miller, G. I., Newman, Nixon, O'Neil, Reid, T. P., Renwick, Roy, Ruston, Samis, Spensieri, Stokes, Swart, Sweeney, Wildman, Worton, Wrye.

Ayes 62; nays 40.

Ordered for standing committee on resources development.

The House adjourned at 10:36 p.m.

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- Breaugh, M. J. (Oshawa NDP)
- Cooke, D. S. (Windsor-Riverside NDP)
- Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
- Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)
- Elston, M. J. (Huron-Bruce L)
- Epp, H. A. (Waterloo North L)
- Foulds, J. F. (Port Arthur NDP)
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- Wrye, W. M. (Windsor-Sandwich L)







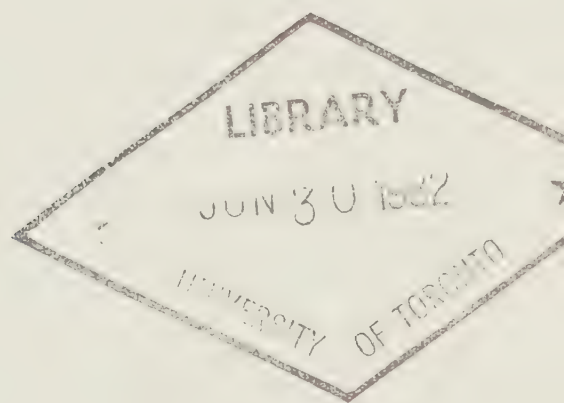




No. 82

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Tuesday, June 22, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Tuesday, June 22, 1982

The House met at 2 p.m.

Prayers.

## STATEMENTS BY THE MINISTRY

### FOREST MANAGEMENT

**Hon. Mr. Pope:** Mr. Speaker, I am pleased to announce to the House today that thanks to the rapid expansion in the private sector's tree stock production we have a planned production level of two trees planted for every tree harvested.

**Mr. T. P. Reid:** You've got to be kidding.

**Mr. Speaker:** Order.

**Mr. Foulds:** Did the minister say "fruit trees"?

**Mr. Wildman:** Can he say that with a straight face?

**Hon. Mr. Pope:** If the member had been in estimates last Thursday, he would have heard all this.

Last year, we harvested approximately 65 million trees in our province. That harvest level definitely will not be exceeded this year. This year, we have established the capability to produce 132 million trees. Most of these trees will come from two sources.

Our existing bare root nurseries will continue to produce 90 million trees annually. Fifteen million container stock will come from our own greenhouses and another 22 million will come from private greenhouses under contract with my ministry in many parts of northern Ontario.

In addition, we are negotiating for additional production by private nurseries. By 1985, our production capacity will be 150 million trees, and we will not stop there.

I am heartened by the enthusiasm the private tree stock producers have shown in helping to meet our target. Their rapid expansion and the outstanding quality of their stock has made it possible for us to attain our planned production level.

As you can see, Mr. Speaker, we are moving into a new phase of forest management in Ontario. Man's use of forests can be divided into several key phases. The one we are entering, symbolized by my announcement today, is the most advanced of these phases. The rate of natural regeneration can be accelerated by

many means which are now being implemented throughout the province. This natural regeneration is not considered in the two-to-one ratio I mentioned earlier.

What we are now doing is growing a new forest to ensure that our valuable forest resources are maintained. Our forest management agreements embrace this concept. Through our FMAs we contract private industry to help us manage our forest resources. These private firms combine harvesting and regeneration activities to guarantee a sustained yield.

By 1985, we will have about 30 FMAs which will virtually cover all forest operations on crown land in Ontario. As the members know, crown land accounts for 87 per cent of the land in Ontario.

I know that all members of this House will join in supporting our ongoing efforts in forest management.

[Applause]

### LOTTERY FUNDING

**Hon. Mr. Pope:** In light of the reaction from the members across the floor, I have a second statement.

I am pleased to tell honourable members how the Ministry of Natural Resources plans to use almost \$1.4 million in provincial lottery dedications available to us this year. The major portion of those funds, \$1.25 million, will be used for rabies research, one of our top health priorities. The remaining \$144,000 will be used for flood plain mapping projects in northern Ontario.

I would like to briefly outline our intended plans in each of these program areas. Rabies has great economic and public health effects in our province. It costs Ontario residents more than \$12.5 million annually. We need a vaccine which can reach wildlife, the major source of the disease, without affecting the environment.

My ministry has contracts with a variety of groups that are working to develop such a vaccine. These include the universities of Guelph, Toronto, Queen's and Saskatchewan, as well as Connaught Laboratories Ltd.

As for flood plain mapping, we will use the \$144,000 to define and map flood plains on the Goulais River just north of Sault Ste. Marie, at

Lake Nipissing and in the towns of Hornepayne and Atikokan. These maps will be used to regulate development in the flood plain, reducing the risk of damage or injuries due to flooding.

I know that this money will be well spent and the results will be most beneficial to residents and visitors to the province.

**Mr. Speaker:** Oral questions. The Leader of the Opposition.

**Mr. Peterson:** Mr. Speaker, perhaps you would be good enough to inform me if the Treasurer (Mr. F. S. Miller) or the Minister of Revenue (Mr. Ashe) is coming in today?

**Hon. Mr. Davis:** Mr. Speaker, if that is the first question of the Leader of the Opposition, I will answer it in the affirmative.

**Mr. Peterson:** Why does the Premier not take 15 minutes and skate around on it for a while and waste a little time.

**Hon. Mr. Davis:** Mr. Speaker, if the House would permit me, I wanted to check the wording of this telex personally; it was just a minute or two late getting here. So that the Leader of the Opposition will have time to reassess his question in case he wants to direct it to me, I would like to make a brief statement.

**Mr. Speaker:** Do we have the consent of the House?

Agreed to.

### ROYAL BIRTH

**Mr. Bradley:** As long as it is not a propaganda statement you have consent.

**Hon. Mr. Davis:** The member for St. Catharines thinks this is a propaganda statement.

**Mr. Bradley:** No, it could not be, from the Premier.

**Hon. Mr. Davis:** That is what he said. I pay attention to everything the member for St. Catharines says. Most of it is irrelevant, but I pay attention.

I join with all Ontarians in expressing my sincere congratulations to Their Royal Highnesses, the Prince and Princess of Wales, on the birth of their son. This royal occasion is happy for many reasons, most notably that mother and child are both reported to be in good spirits and in good health.

Her Majesty's loyal subjects in this province would want me to send a message of congratulations to the royal family and I have taken steps to send the following message on behalf of all citizens of the province. This telex was sent to

Their Royal Highnesses, the Prince and Princess of Wales:

"The people and the government of Ontario share in the general rejoicing which has greeted the birth of your son and our affection and good wishes are with you at this happy time.

"It is our hope and prayer that you will enjoy all the happiness to be found in a warm and loving family circle and that our new prince will be granted an abundant measure of life's blessings."

**2:10 p.m.**

The evolution of the monarchy and its continuance as a stable symbol of unity and democracy is very much the result of the human concern, sensitivity and spirit which so typify the work of the members of the royal family and the relationship they enjoy with their people. The birth of an heir to the throne is not only an important symbol of that family's continuity but also a happy and joyous occasion when the miracle of new life casts its ray of sunshine upon all of us.

Yesterday was a great day for Canadians and a very great day for the monarchy. On behalf of the government and the people of our province, it is an honour for me to express our congratulations and most sincere best wishes to the entire royal family on this joyous occasion. God save the Queen.

**Mr. Peterson:** Mr. Speaker, I would like to address a few words on the same subject. I did not want to be too aggressive about it because I was not sure if the Premier was going to make a statement and did not want to appear to be crowding him, particularly on a matter concerning the monarchy.

On behalf of Her Majesty's loyal opposition I would like to extend to His Royal Highness, Prince Charles, and his wife, Diana, Princess of Wales, our loyal greetings and sincere congratulations on the safe delivery of their first-born child.

God willing, this baby boy is destined one day to become King, an awesome responsibility in this modern age. In the years that lie ahead many hopes and plans will be built around this tiny bundle of humanity, but today thousands of well-wishers around the world are content to share with his young parents the joy and delight that are inextricably bound up in the constant miracle of the birth of a baby.

Last summer, we all shared the excitement and happiness of the royal wedding. Today, we share the welcome news that mother and baby



are fine and that the happy father thinks his new son is "not bad."

To a much-loved young couple who have now become a family, I express on behalf of my party our very best wishes for health and happiness in the future.

**Mr. Foulds:** On behalf of the members of the New Democratic Party caucus and our people throughout the province, I would like to extend to Charles and Diana, Prince and Princess of Wales, our congratulations on their first-born son. A first-born of either sex is terribly important in any new couple's life, as I am sure this prince will be in that couple's life, and in the life of Great Britain and of those countries like Canada which are proud to continue to be associated with Great Britain.

The new prince has an awesome tradition to live up to in that the present royal family in Britain has combined the tradition and heritage of royalty with a very real, common, human touch. That was exemplified by one of the uncles of the new-born prince, Prince Andrew, in his service to his country in the recent crisis over the Falkland Islands. I am sure with examples like that, the new prince will serve not only his family but his country and our country very well.

## ORAL QUESTIONS

### RETAIL SALES TAX

**Mr. Peterson:** Mr. Speaker, I have a question for the Treasurer. Going into the public hearings, as we are, next week, I know the Treasurer is approaching those in a fair-minded way, in spite of the comments of some of his backbenchers, like the member for Oxford (Mr. Treleaven), who said that the post-budget hearings would be an exercise in futility for the public because a majority of the 11 voting members are from the Conservative Party. He said the hearings would be a media exercise where closed minds will vote to retain the budget.

I do not believe the member for Oxford. I stand with the Treasurer. I think he wants to make these hearings meaningful and wants to receive constructive input so that, collectively, we can try to clean up some of the worst aspects of the budget.

Recognizing that a number of groups will be coming before these hearings over the next couple of weeks and that they want to be constructive, would the Treasurer tell those groups, before the fact, the kinds of points he is

prepared to listen to and what criteria he will apply to changes he is prepared to make in his budget to make it more fair? For example, is he concerned about the regressiveness of a tax proposal, and if that can be proved to him in these committee hearings, would he be prepared to change his mind on some of these issues?

**Hon. F. S. Miller:** Mr. Speaker, just as my honourable friend is going to that committee believing I will take it seriously, I am going to that committee believing he does not intend to make it into a stage show, either.

I intend, as I always do, to listen seriously to the people who come before this government year after year offering their points of view, and I intend to be very glad to listen to changes that may be administrative in nature, things that deal with unnecessarily complex regulations or with catching groups of people with the policy that it was not the spirit and intent of the bill to catch. Of course, I intend to listen to them, as I always have.

**Mr. Peterson:** I very much appreciate the open mind with which the minister has come into this entire process. But beyond the technical questions, which I agree with the Treasurer must be looked at very seriously, and I know he wants to hear input on them, is he prepared to look at some of the conceptual problems in the budget: for example, as I asked him earlier, the regressiveness of some of the provisions? And if that can be substantiated to him, would he be prepared to re-evaluate some of his taxation proposals? Would he be prepared, for example, to look at the impact on jobs, and, if it can be established to him that certain jobs will be lost as a result of his budget, would he consider that an important point to be brought forward to the committee? Is he looking at it essentially as a factor in taxation, and if it can be proven to him that certain items are essential, would he be prepared to alter some of his tax plans?

What I am asking the minister, and I am just giving him three examples, is whether he is prepared, ahead of time, to tell the various groups who will be appearing before the committee the criteria he will be judging their proposals on? How can we know what he will consider seriously unless he tells us ahead of time?

**Hon. F. S. Miller:** I think I would be showing great temerity to tell the people what I should hear from them. Surely the process is for them

to tell me what they believe I should hear, and that is what I expect in that process.

There are certain buzzwords people use with great abandon, assuming that if something is "progressive" it is good, if it is "regressive" it is bad. I for one have never been caught up in buzzwords or in cute economic theories that may be popular for a year or an age.

Certainly, the major objective and the major theme of the budget was the creation of jobs. I would suggest to the Leader of the Opposition that the citizens of Ontario understand this and that the foofaraw that has been created by him and by the members of the other party has taken a tiny part of the budget and blown it up to a great extent. They have not spent any time giving their attention to the moves we made that many good critics have said were essential at a time when a government should be devoting its attention to the creation of employment.

We bridged the gap during this recession by government jobs; we set the stage for re-investment of capital; we have created an atmosphere in Ontario that says, "We want you here if you are going to invest money." And just as the Leader of the Opposition said in Sudbury last week that he did not believe there was any Liberal in any part of Canada who could win a seat anywhere in this country, let me tell him there are a lot of Conservatives in this country who could win, and we, at least, are realistic enough to know that you cannot talk out of both sides of your mouth at the same time when you are in economic trouble, as he was in Sudbury.

**Mr. Cooke:** Mr. Speaker, since it has now been adequately documented for the Treasurer by the Association of Municipalities of Ontario and by individual municipalities that because his budget came in after the mill rates were set and because the sales tax is going to affect them by one to two per cent of their budgets, I would like to ask, is he now prepared to admit that part of the budget was wrong? Is he at least willing to put that part of the tax off until January 1, 1983, or compensate them with a grant or, better still, eliminate that part of his retail sales tax bill?

**Hon. F. S. Miller:** Mr. Speaker, I just asked the Minister of Municipal Affairs and Housing (Mr. Bennett) if he had heard from AMO requesting a meeting with me or if they were coming before the committee. I do not know either at this point.

**2:20 p.m.**

This morning I met with the Minister of Education (Miss Stephenson) in that role—I

met with her last week as Minister of Colleges and Universities—dealing with both of the groups who represent those areas, the Ontario School Trustees' Council and the Council of Ontario Universities, looking at the effects of the budget. I want to say we had very realistic discussions.

They are not always things people want to hear, but I would suggest this was done in a friendly and constructive atmosphere. They may turn up at the committee meeting to press their points further. I pointed out half a dozen times, though, there is no one date in the year when I can coincide my actions with everyone's fiscal year beginning.

**Mr. Peterson:** The Treasurer has a most interesting theory. Our job is to point out the bad parts and his job is to point out the good parts of his budget. If that is the criterion, we have been the resounding winners, believe me.

In the spirit that these new hearings will have, I am making two requests of the Treasurer. The first request is, will the Treasurer speak quietly to the members he will have on that committee to make sure that they do not follow the suggestions of the member for Oxford (Mr. Treleaven), who anticipates it will be a futile exercise and that closed minds on the Conservative side will be dealing with this.

My second request is, and it goes to the process, could the Treasurer give some indication to the people who will be appearing what criteria are important to him? If it is jobs, would he say so, and they can present the information they have on how it will affect jobs in this province.

**Hon. F. S. Miller:** I thought I had answered that specifically in the second part of the honourable member's question. I did say in the beginning of my budget statement that the creation of jobs had remained, with the tools I had available for me, the most important task I could have. I simply point out that task has been made extremely difficult for me this year in what has to be recognized, even by authorities such as Business Week magazine, as a disastrous economic climate in Canada because of the total mismanagement by a party called the Liberal Party; a party which the opposition is trying quickly to divorce themselves from. I understand they had 225 people in Sudbury and 113 of them were from southern Ontario.

**Mr. Peterson:** I have just determined the Treasurer's problem. All his information comes from Claire Hoy. They have a very nice relationship, I am sure.



## HYDRO CONTRACTS

**Mr. Peterson:** Mr. Speaker, I have a question for the Minister of Energy (Mr Welch) with respect to the Madawaska Mines contract. Is the minister aware if Ontario Hydro has considered the firm proposal made by a local citizens' committee—which included the reeves of the village of Bancroft and the township of Faraday, the president of Hastings District Chamber of Commerce, as well as the president of the union—which would have kept the Madawaska mine open for another three years with the assistance of some modest provincial subsidy to keep that mine going? Has he considered that? Has Ontario Hydro considered that? And has he given a definite proposal back to that group, which very much wants to keep that mine going?

**Hon. Mr. Welch:** Mr. Speaker, as I mentioned to the House when this matter was first introduced following the consideration of the proposals by the Hydro board, the member for Hastings-Peterborough (Mr. Pollock) in his very efficient way arranged a number of meetings here at Queen's Park. Father Maloney and others to whom the Leader of the Opposition has made reference were involved in those meetings. Meetings were held under the auspices of the member for Hastings-Peterborough with the chairman and some of the officials of Hydro, at which a number of proposals were considered. The board of directors of Hydro considered the proposals in the light of what their requirements would be, taking into account the efficiencies, the cost and all other factors, and have awarded the contracts as they announced last week.

**Mr. Peterson:** In spite of the good efforts of the member for Hastings-Peterborough, it has not brought any results in the circumstances. I am asking the minister to intervene and I am asking him what his role is with respect to this entire matter.

For example, I point to an interview with his good friend Hugh Macaulay, the chairman of Ontario Hydro, who said, talking about his responsibilities as chairman of Hydro, "Instead of merely looking to meet anticipated demand, we are now considering a wider role for Ontario Hydro and are considering the effects our large construction projects, our exports, our rates and, in fact, all our activities, have on the social, environmental and economic life of this province." He recognizes that he has a wider responsibility. That is his view.

On the other hand, we have a spokesman from Hydro saying that Ontario Hydro cannot make social decisions about keeping mines open. There is some confused sense of who is responsible for what on this matter.

May I ask the minister: surely it is his responsibility as the Minister of Energy and as a member of the cabinet to make sure that every single possibility is examined to keep that mine open? What has he done? What kinds of discussions has he had? Is he prepared to make some compromise, or to work to try to keep that mine open?

**Hon. Mr. Welch:** I think it is unfortunate to be making references to the efforts of members. I want members to know I am very proud to be in the same caucus as the member for Hastings-Peterborough, who has attached a very high priority to this work. Other than that, there was a single question from the member for Quinte (Mr. O'Neil) and some tokenism on that side, while the member for Hastings-Peterborough has worked day and night attempting to make sure every possible angle was examined. I want that to be quite clear on the record.

Second, in so far as the government of Ontario's response was concerned, had the Leader of the Opposition been in his place on Friday he would have heard the Minister of Natural Resources (Mr. Pope) making some reference to what was going to be some response regarding the mining opportunities in that particular area.

As to the broader role of Hydro, I understand the Leader of the Opposition and the chairman of Ontario Hydro had an interesting discussion on CBC Radio yesterday. Notwithstanding the chairman's persistent efforts, the member refused to be specific with respect to the sorts of things he had some advice about, which is fairly typical of the line of questioning for which he is known.

**Mr. Foulds:** Mr. Speaker, can I get the Minister of Energy to say, quite clearly, that he does not see Ontario Hydro playing a role in the economic development of the province, when it will not play a role in the economic development and maintenance of jobs in eastern Ontario in this particular case? Does he think it is not now time for the Minister of Energy to exert his authority and to insist that Hydro play an economic development role in the province, where that is justified?

**Hon. Mr. Welch:** Mr. Speaker, I repeat that my colleague the Minister of Natural Resources stood in his place on Friday to respond to some

particular situation in that part of Ontario dealing with the economic welfare and health of that community. I assume the deputy leader of the New Democratic Party, who, as the critic for the Ministry of Energy, is quite familiar with the legislation which establishes Hydro, knows that Hydro has some responsibility to the electricity customers of this province to provide power at cost.

Therefore, when there are considerations with respect to outlay and the security of supply, you can hardly criticize Hydro in attacking their particular—

**Mr. Wrye:** Careful—

**Hon. Miss Stephenson:** I think that was thunder, not Hydro.

**Mr. Foulds:** It came close.

**Mr. Breithaupt:** The next one will be closer.

**Hon. Miss Stephenson:** It is obvious you are speaking the truth.

**Hon. Mr. Welch:** I would not presume to interpret that as confirmation, but for my purposes today that is exactly how I am interpreting it. It may be just a carryover of the 21-gun salute after the announcement of the Premier with respect to the birth of the prince.

Surely that is what we expect Hydro to do, to be accountable to the electricity customers of the province?

**Mr. Eakins:** Mr. Speaker, since a number of the workers also live in Haliburton county, I share the anger and disappointment of the member for Hastings-Peterborough.

I would like to ask the minister why he has allowed the economic props to be kicked from underneath the town of Bancroft? Ontario Hydro argues that it did not accept the proposal from Madawaska Mines because it cannot make social decisions about keeping mines open. Why then did the government not make that decision in view of the tremendous economic benefits not only to Bancroft and Haliburton but to eastern Ontario? In his decision not to keep this mine open, did the minister balance the costs from the public purse for make-work projects against the benefits of keeping that mine open?

**2:30 p.m.**

**Hon. Mr. Welch:** Mr. Speaker, I cannot add much to the answers already given. Hydro was faced with the responsibility of addressing the proposals that were submitted. As the member for that area, if he reads the daily newspaper circulated there, the member will know that

apparently it felt editorially that Hydro had no alternative but to do as it did.

In all fairness, we should point out once again to the members of the House that the reason the mine is closing this week or next week is because of the cancellation of an international contract which would have gone until the end of the year. The Minister of Natural Resources, in his attempt to be helpful with respect to this matter, announced some aspects of that program on Friday.

#### ECONOMIC DEVELOPMENT

**Mr. Foulds:** Mr. Speaker, I have a new question for the Treasurer about the budget. Does the Treasurer recall that the key premise of his budget was stated on page 4 and said: "The Ontario economy should strengthen during the balance of the year. Real growth in GPP in the second half of 1982 should be four per cent on an annual basis"?

Since over the past week we have had economic indicators indicating the evidence is otherwise and that his crystal ball was all fogged up, what new measures is he going to introduce to rebuild Ontario's economy?

**Hon. F. S. Miller:** Mr. Speaker, unless I have misinterpreted the indicators the member is referring to, and I would be glad to have him elucidate, what we pointed out was that the recovery across the balance of the year would just about equal the loss in the first half. As I recall, in the newspapers this week we got the first-quarter results for Canada, which showed a decline. We knew that when I produced the budget. It showed a drop in jobs and a drop in real output.

I pointed out in response to a question some time around June 5 that we had two months in a row when the net number of people employed in Ontario increased. I think it was some 4,000 in April—it may have been a little higher—and some 11,000 in May on a seasonally adjusted basis. In May, it was 109,000 on an actual count basis, perhaps the biggest month-over-month increase in the number of people at work in Ontario.

We predicted approximately 125,000 people would return to work across the balance of the year. I admit some of them were on short-term layoff, but the net number of people at work the last two months has shown that trend. I hope when June's figures come out they will also maintain it.

For all the problems around us, we have a uniquely Canadian problem as opposed to a



world problem, no matter what our friends in Ottawa are saying these days. The United States is showing improvement in consumer purchases while Canada is dropping. The United States has a lower savings rate than Canada. The question then is, why are Canadians not buying when in many cases they have the resources to do so? I suspect the answer is confidence in the future of this country, confidence that has been totally destroyed by the government in Ottawa.

**Mr. Foulds:** Does the Treasurer not now realize that we are experiencing, in the present tense, at the present time, as deep an economic crisis in Ontario as we have experienced in 50 years? Tinkering is not going to get us on the road to recovery. We need to create jobs. As the Treasurer said about Mr. MacEachen's budget, and I quote, "It did not address the economic conditions of the day." Will he not now admit that his budget does not address the economic conditions of the day? Is it not about time he made a commitment to this House to bring in a new budget before we rise for the summer recess?

**Hon. F. S. Miller:** The member is using my budget as a reference and I guess I can too. When I wrote this budget I said I did not bemoan what could not be done. I sought out the positive things we can do to create jobs and new investments, the things we can do to reinforce confidence in our future and maintain an affordable standard of services for our people.

I recognize the opposition party is, by tradition, a critic of government. That is fair enough, but the member is being pedantic so let me be pedantic. Let me be didactic if he wants me to be. The fact is we have serious problems in this country, but one of the most serious is the constant emission of gloom and doom from so many people, including the members over there. They are destroying the confidence of people who may have some cause to be positive.

**Mr. Peterson:** Mr. Speaker, I assume the government's approach is to anaesthetize people rather than face real problems. However, let me ask the Treasurer a question with respect to his budget. Does the Treasurer agree with his colleague the member for Oxford (Mr. Treleaven) who said that preparing provincial budgets without public input was a failure of the government? Does the Treasurer not believe we could solve some of these problems more easily if he allowed some public discussion before he

brought in a budget that in retrospect is so ill-fated and ill-timed?

**Hon. F. S. Miller:** Mr. Speaker, the Leader of the Opposition talks about anaesthesia. He is the only person I know who got a degree cum laude honoris causa in anaesthesiology.

Interjections.

**Mr. Speaker:** Order. Now to the answer, please.

**Hon. F. S. Miller:** I hope the cameras were on the member for St. Catharines (Mr. Bradley) because we like replaying these in the local areas to show them the maturity and confidence of the people they elect to this Legislature.

If one uses the words of the lady who has not returned to this House since the defeat in Hamilton, as I recall she said, "A Liberal is a Liberal is a Liberal." I just pray tell and would ask the member if I could, but I cannot, what makes him think he is a different Liberal from those in Ottawa? What makes him tell the people of Ontario he has solutions when it has all been fouled up by people who call themselves Liberals in Ottawa?

**Mr. Foulds:** We do not wish him to be pedantic, didactic or partisan but he is the Treasurer of Ontario and will he not take some creative steps when he realizes the depths of the crisis in Ontario? Retail sales are down, manufacturing plants are closing weekly, if not daily, and bankruptcies are up. People are losing their homes and their farms and the country's gross national product recorded in the first quarter, as the Treasurer said, its largest drop since 1953. Layoffs in Ontario have increased by 248 per cent over the last year and mortgage rates have once again hit 20 per cent.

Does the Treasurer not admit that is an Ontario crisis for the people of this province? Does he not think it is his responsibility as Treasurer of this province to create jobs to get the economy moving again? Does the Treasurer not think he needs to bring in a new budget? Does he think Ontario is just going to sleep through the summer?

2:40 p.m.

**Hon. F. S. Miller:** I was just handed a news bulletin which, if it is accurate, may be part of the answer. It is the reason I waited an extra month. It says the federal government will present a new budget on Monday night. If it does what we believe it will do, a good part of the assistance will be undertaken. If it does what it should do, remove the fear, the lack of direction, the lack of confidence of investors,

consumers and workers in this country, then obviously the steps I have already taken to create jobs, which the member does not like to admit to—

**Mr. R. F. Johnston:** The Treasurer should do the same thing. Why doesn't he show some leadership instead of punishing the poor—

**Hon. F. S. Miller:** The member does not like to go back home and tell the small restaurant operator who has a seven per cent tax that he does not have to pay corporate tax this year, does he? He does not want to admit that. He does not want to admit the restaurant operator will have more money to invest in his business because of a step I took. He does not want to—

**Mr. R. F. Johnston:** The Treasurer is doing it to the poor just as much as Trudeau is. He is attacking the poor.

**Hon. F. S. Miller:** Just be quiet over there. The member for Scarborough West—

**Mr. R. F. Johnston:** No, I won't.

**Mr. Speaker:** Order.

**Mr. Conway:** Does the Treasurer remember what he said about MacEachen's budget in November?

**Mr. Speaker:** Your turn is coming.

#### ASSISTANCE TO HOME OWNERS

**Mr. Foulds:** Mr. Speaker, I would like to return to the Treasurer and his responsibilities as Treasurer in this province. As he will no doubt realize, three-year mortgages are at an all-time high at the 19¾ per cent to 20 per cent level, which puts families in Ontario into a new round of mortgage renewal roulette. Does he realize, for example, that if a family is coming off a five-year term and renewing a \$40,000 mortgage for three years, that means an extra \$253 per month or \$3,045 per year? What is the Treasurer going to do? Is he going to bring in an interest rate relief program specifically to assist those people, as has been done by other provinces?

**Hon. F. S. Miller:** Mr. Speaker, obviously I am watching with some interest what other provincial governments have done to get elected. It will be very interesting to see whether it works or not. I just want to say I cannot have the member criticizing me across this House for having too high a deficit when he recognizes the number of dollars—

**Mr. Foulds:** I never did.

**Hon. F. S. Miller:** The member may never

have criticized me for that, but these gentlemen do.

**Mr. Foulds:** Don't link us with those guys.

Interjections.

**Mr. Speaker:** Order. Never mind the interjections. Address yourself to the question please.

**Hon. F. S. Miller:** I have to say, compared to the third party, they are a deep pink not a pale pink, so I do not think we should link them.

The fact remains that the number of dollars needed to have a support program of that nature is very large. One has to recognize it is a major redistribution of income and it can be very difficult for people who have already paid off their mortgages. So it is not as simple as the member says.

More important, in my budget I have pointed out that the federal government has a program. It is starting to lend \$3,000 to many people, depending upon their status, to get them through what they hoped would be a short period of high interest. The most important item right now, with our dollar dropping, is to have Canadian economic policy at least supportive enough so our dollar does not go down and our interest rate go up simultaneously. That is happening right now because money is fleeing this country.

**Mr. Foulds:** May I remind the Treasurer of the quote from his budget on page 8 dealing with this specific problem? He says: "Little would be gained by a provincial initiative that would only duplicate a program that seems to be working. Nevertheless, the government is concerned about this situation and we are closely monitoring the progress of the federal program and the state of mortgage markets."

Surely the monitoring by the Treasurer, if it is at all up to date, shows him that the federal program is totally inadequate, that in Ontario to date only 1,009 people have been assisted, and that by his own figures 40,000 families in Ontario are having their mortgages come up for renewal at a rate that will be in excess of 30 per cent of their income, and thus their homes could very well be at risk. What is he going to do to assist those families?

**Hon. F. S. Miller:** In the final analysis, nothing will help except reduction of interest rates. Reduction of interest rates still remains quite possible. I would suggest to the honourable member that we are monitoring and we are seeing some progress in that area and we are seeing the federal government continue with



that program. We are always told not to duplicate programs; let us give it a chance.

[Later]

**Mr. Foulds:** On a point of order, Mr. Speaker: I apologize to the House for a figure I used earlier in the day. There were not 1,009 Ontario families assisted by the Canada mortgage assistance plan; that figure was for all Canada, not Ontario. I was far too optimistic.

**Mr. Roy:** Mr. Speaker, given that the Treasurer's program and his budget exemption of corporate tax for small business will be of some assistance, in view of the high interest rates why did the Treasurer not consider giving some measure of relief to people with small businesses who are not incorporated? There are many of those. In fact, those who are not incorporated are likely paying a higher rate of tax than those who are incorporated. Why would he limit the exemption only to corporations who incorporate and not give some relief to those who are not incorporated but are having to face very high interest rates?

**Hon. F. S. Miller:** Mr. Speaker, my friend is a lawyer.

**Hon. Mr. Davis:** Full time.

**Hon. F. S. Miller:** Yes, full time. He would recognize there is one restriction and one remedy. I would suggest to him that if he wants to drum up business on Mondays and Fridays I can give him a little way to do it. He can suggest that a number of those small businesses incorporate. That is number one.

**Mr. Cassidy:** Why don't you quit? Just quit.

**Hon. F. S. Miller:** Just a second, while he looks at the gallery to see if he is getting any reaction. Before the member gets too smart, he knows the only tax I control independently in Ontario is the corporate income tax. The personal income tax is controlled by the federal government; we only get a share of it and we do not set the rules. If the members read my budget papers they will find a paper there suggesting the pros and cons of Ontario going it alone. If we went it alone, we could do what he is saying.

**Mr. Foulds:** May I return to the question of mortgage interest rate reduction and help. Is the Treasurer aware that the Canada Mortgage and Housing Corp. revealed to our caucus this morning that in the first quarter of 1982 there were at least 2,000 families in Ontario who were in arrears on their mortgages by three months or more?

Does the Treasurer not agree that those

families at least, those 2,000 families who are desperately trying to hold on to their homes and who are three months in arrears, are in very real danger of losing their life investment in those homes? Does he not think he has a responsibility to assist those people in this province to keep their homes?

**Hon. F. S. Miller:** My colleague the Minister of Municipal Affairs and Housing (Mr. Bennett) can probably talk at great length on this issue, because I believe he has looked into the problems of a number of these difficult cases. He is not here at the moment, but I would suggest that very often when one looks at the economic state of somebody who is in financial trouble one cannot say it is simply a mortgage problem. One may find a good—

**Mr. Foulds:** That is why we asked you to create jobs, which was my previous question.

**Hon. F. S. Miller:** Just a second. One may find there is a good deal of consumer finance for a number of items that, properly or improperly, have been purchased and have compounded their troubles. By itself, the home would have been supportable, but the sum total of all their debt is not. I am not blaming anyone for that, I am simply saying that is the case in many instances when the people come before us.

#### UNEMPLOYMENT

**Mr. O'Neil:** Mr. Speaker, I have a couple of questions about Madawaska Mines for the Minister of Energy. He mentioned that the member for Hastings-Peterborough (Mr. Pollock) had arranged for the people to come up from Bancroft to meet with them. I know they are going to ask us again to meet with the Minister of Energy. In fact, I think they already have. What is the minister going to tell them this time? Is he going to be able to give them any answers as to what they are going to do to keep the mines open? There are busloads of these people coming up here tomorrow to petition in front of the Legislative Building and in front of Ontario Hydro. What sort of answer is the minister going to give them for the problems they face?

**Hon. Mr. Welch:** Mr. Speaker, I was not aware of their arrival, but the Minister of Natural Resources (Mr. Pope) and I, along with the member for Hastings-Peterborough, would certainly be very pleased to meet with any delegation from that area.

2:50 p.m.

**Mr. O'Neil:** I do not think they are as interested in meeting the minister as in having

him give them an answer as to how they are going to be helped.

I might say to the minister that the Minister of Natural Resources mentioned his statement on Friday, which I have read several times and which the people of that area have read, but we do not have specifics on it—

**Mr. Speaker:** Question, please.

**Mr. O'Neil:** Will the minister be more specific about some of the job creation things that the government is going to do if it is not going to help the Madawaska Mines? I refer to such things as developing a walkway along the York River, looking at a kraft mill that has been talked about for the past seven or eight years and other projects. Will he or the other minister give us some specifics as to when those jobs will start? Will he tell us what the jobs are, how many people they will employ, how long they will last and other specifics, if the government is not going to help the miners?

**Hon. Mr. Welch:** If I understand the honourable member, he wants more specifics with respect to a statement made by my colleague. Perhaps I would be wise to refer that to my colleague.

**Mr. Kerrio:** Remember how you campaigned, saying, "A cabinet member will help you"? Don't give us that routine.

**Hon. Mr. Pope:** Or the Liberal Party's alternative, which is nothing. Let the honourable member give us his party's alternative, which has been nothing for a long time.

Mr. Speaker, the member knows full well that one estimates the sustained yield of that hardwood and softwood inventory in eastern Ontario. He also knows full well the programs we have put in place with respect to hybrid poplar.

**Mr. O'Neil:** When? When?

**Hon. Mr. Pope:** When? If the member had taken the time to read what is going on in his own part of the province he would have seen the advertisements in the *Globe and Mail* and in the other financial publications. He would have known that when we found out the mine was going to close we contacted the producing companies in the forest products sector. He would have known that we made deals with respect to the industrial minerals sector to create some permanent jobs with respect to silica.

**Mr. O'Neil:** I've read them, and there were no specifics.

**Hon. Mr. Pope:** If the member had read the press releases that went out on industrial minerals over the past three months he would have known the specifics. If he really cared, he would do a little bit of homework for a change.

## USE OF HERBICIDES

**Mr. Wildman:** Mr. Speaker, I have a question for the Minister of the Environment. Now that the minister has had an opportunity to review the concerns I raised in the letter I delivered to him last week regarding the use of Tordon 101 and Tordon 10-K in the Algoma district, will he agree to suspend voluntarily the use of these herbicides by private and public agencies in the province as well as by ministries of the government, until such time as the new tests that are now going on are completed by Dow Chemical?

**Hon. Mr. Norton:** Mr. Speaker, the matter had been brought to my attention prior to its being raised in the recent letter to me by the honourable member and was referred by me to the Pesticides Advisory Committee, which conducted a very thorough review of all the available literature on the matter and a review of the reports from the United States which had given rise to the concerns that have spread across North America.

The committee produced a very comprehensive report, which concluded that there was nothing to substantiate the concerns that have been raised and that the present restrictions we have on the use of those chemicals in Ontario are the best way in which to proceed at this time; so I have no intention of changing the present classification.

**Mr. Wildman:** Is the minister not aware that the doubts raised about the tests done by Industrial Bio-Test Laboratories in the United States have led to the ordering of new tests in that country? Is the minister willing to approach the federal government and ask it to place a moratorium on the registration of these compounds in Canada until such time as those tests are completed?

Failing that, is he not prepared at least to require the agencies using these herbicides to post notices so that people will know where the spraying is taking place and will not be picking berries and having children consume berries in areas that have just been sprayed?

**Hon. Mr. Norton:** Both the Department of National Health and Welfare and the Department of Agriculture are fully aware of the information to which the member refers. It is



the responsibility of the Department of Agriculture to determine whether a particular chemical, such as Tordon, is available on the Canadian market.

We already have it classified in the most restrictive classification, and we have had it so in Ontario from the beginning. There is no more restrictive classification that we can place on it. If the member has views that go beyond that and if he can substantiate them, then I would suggest that he direct them to the Honourable Eugene Whelan or the Honourable Monique Bégin.

**Mr. Elston:** Mr. Speaker, in the light of the controversy surrounding not only the spraying of Tordon in that area but also the spraying of Sevin in the Kingston area, I wonder if the minister will require in future that the spraying of these at least questionable chemicals comes under public scrutiny and that some kind of committees be set up locally in these areas to advise citizens when the spraying is going to take place, the amounts to be sprayed and how the spraying activity is to be monitored by members of his ministry?

**Hon. Mr. Norton:** Mr. Speaker, I think the honourable member is surely aware that considerable advance notice is already given by the Ministry of Natural Resources in situations like that. In fact, if I am not mistaken, in the situation to which the member refers, in I believe the Kaladar area of eastern Ontario, the owners of private land had requested initially that spraying take place. That was subsequently changed as a result of concerns that were raised primarily by constituents of the member for Hastings-Peterborough—I am sorry, I mean the member for Quinte (Mr. O'Neil).

Interjection.

**Hon. Mr. Norton:** He is such an empire builder when it comes to his pretences around this place that I sometimes get a little mistaken about that.

I think if the member checks the procedures that are followed by the Ministry of Natural Resources he will find essentially that what he is requesting is already done.

#### ASSISTANCE TO FARMERS

**Mr. McGuigan:** Mr. Speaker, in the absence of the Minister of Agriculture and Food (Mr. Timbrell) my question is to the Premier. Will the Premier take up an urgent matter with the Minister of Agriculture and Food and his cabinet? It is a matter that is of vital importance to a number of cattle producers in southwestern

Ontario, some of whom have taken losses as high as \$160,000.

The Kent Federation of Agriculture forwarded a resolution to the Ontario Federation of Agriculture calling for the coverage of cattle bankruptcy losses retroactive to January 1, 1982. Their intent is that when funds start to accumulate after August 1 under the program the minister has recently announced, the cattle producers would be gradually reimbursed from that fund. This would not be a burden on the taxpayers; it would be a burden that the cattle producers are apparently willing to meet.

I ask the Premier to look into this matter seriously and try to alleviate this problem.

**Hon. Mr. Davis:** Mr. Speaker, I am more than prepared to take it up with the Minister of Agriculture and Food. I only caution the honourable member, because I do not want to lead anybody astray, not to interpret that to mean that we—

**Mr. Kerrio:** Oh, you are changing your policy now.

**Hon. Mr. Davis:** I am delighted to know that the member for Niagara Falls has sufficient talent to distinguish between one and the other, but I accept that he can.

I ask the member who raised this question please not to communicate back home the fact that I am taking it up with the minister means that it necessarily will lead to some altered policy. I do not want to lead anyone astray; but yes, I will take it up with the minister.

**Mr. Riddell:** Mr. Speaker, the Premier is no doubt aware that the Minister of Agriculture and Food asked the fraud squad to investigate the McIntyre bankruptcy. I wonder, when he talks this over with the minister, will he pose the question to him that was asked by a livestock producer in the Chatham Daily News:

"If Stewart"—that is Stewart McIntyre, the owner of the livestock sales—"was in the financial difficulty the papers lead us to believe, why, I ask you, the Royal Bank, did you wait until the busiest week in the year to shut him down? The week you shut him down sees the biggest movement of finished cattle to market and also the biggest movement of feeders to grass and feedlot. Why was that particular week chosen to pull the plug? If it had to be done, why not in the winter when stockers and finished cattle are barely moving?"

3 p.m.

Can the Premier tell us, or have the minister reply to our question, whether the Royal Bank

was indeed involved in rather fraudulent exercises in connection with this McIntyre affair?

Secondly, and supplementary to the question of my colleague the member for Kent-Elgin (Mr. McGuigan), since this government under the act can put in seed money as well as giving a loan of \$250,000 and guaranteeing a bank loan of \$1 million, why can the government not use these provisions under the act to provide the money that is necessary to pay these livestock producers, who could well go out of business? As Mr. McGuigan indicated, there is \$160,000 due to individual farmers from this bankruptcy. The government could put that money in. Why do they not do it and get these farmers off the hook?

**Hon. Mr. Davis:** Mr. Speaker, I sense there are at least three or four questions there, and I am not sure just which one the honourable member wants me to answer. I answered his colleague the member for Kent-Elgin (Mr. McGuigan). I believe that is his colleague's seat, although I guess the member calls him Jim.

I think the member should be a little careful of the language he uses in describing anybody. I am not aware of some of the material he read. As for the suggestions he is making, obviously I do not intend to comment on them. I think the member must be content with the answer I gave to his colleague the member for Kent-Elgin, that I will raise the question asked of me, and I shall do so.

#### FOREST MANAGEMENT

**Mr. Laughren:** Mr. Speaker, I have a question for the very defensive Minister of Natural Resources dealing with the overall management of forests in Ontario but also specifically regarding his statement earlier this afternoon, since this is not the first promise we have had of planting two trees for every one harvested.

How does the minister intend to monitor and manage this new, increased forest in Ontario in view of the fact that we are losing foresters in Ontario to other jurisdictions and the ones we have now in the Ministry of Natural Resources primarily are pushing papers? How does the minister intend to manage this increased forest with these problems?

**Hon. Mr. Pope:** Mr. Speaker, I am glad the honourable member recognizes the fact that we are now planting two trees for every one harvested. I appreciate his support.

**Mr. Foulds:** No, you are not.

**Hon. Mr. Pope:** If he will come to the estimates tonight, I will show him again the way I did last week. He should really take the time to learn about it.

We still maintain a high complement of very competent foresters. We still have those foresters in the field. The question the member posed was discussed last Thursday in the estimates and will be discussed again tonight and tomorrow. I have every confidence in the professional capacity and capability of our staff to adequately monitor our reforestation and forest management programs.

Last week in estimates, in a discussion with the member for Lake Nipigon (Mr. Stokes), we talked about the new techniques we are using with respect to monitoring performance in reforestation and I indicated there had been a book published on the subject. I will be pleased to provide it to the member so that he can inform himself.

**Mr. Laughren:** When the minister is managing this planned large increased forest, will he make sure the people in his ministry understand that they are not above the law and that his ministry must follow the law like everyone else in Ontario? If he will agree to that, will he tell us how it is that comments like the one I am about to quote come out of his ministry in reference to the Environmental Assessment Act as administered by the Ministry of the Environment? It reads:

"Increasingly, administration of the Environmental Assessment Act is becoming a bureaucratic nightmare and the health of the environment seems to be second now to due process and procedure." Further: "The zeal of some of the Ministry of the Environment staff is not being properly harnessed and channelled by senior MOE management." And further: "The rigid application of the act upon the Ministry of Natural Resources displays an apparent lack of awareness of MNR activities or appreciation as to how these might be effected."

Finally, quoting further from MNR staff: "It is felt that the issues associated with the allocation of land through land use planning for various recreational and resource extraction activities are far too critical to be dealt with through the added dimension of cumbersome Environmental Assessment Act requirements."

Does the minister agree with those kinds of bullying tactics and attitudes towards the Environmental Assessment Act, and will he assure us that he will launch an educational program for those people within his own ministry who



seem to think his ministry is above the law in this province?

**Hon. Mr. Pope:** I am glad the member is in favour of the Environmental Assessment Act and is therefore in favour of the processes we have followed with respect to the multidisciplinary examination of forest management agreements, the five-year operating plans, the annual cutting plan, and of the fact that the public has, in the open house forum, the right to come in and look at all these documents and the right to examine the five-year operating plans of the ministry.

I am glad he is in favour of the process of land use planning whereby we have provided documentation over a period of 10 years to the people of Ontario to communicate with them the details of our land use planning, the concepts, the targets. I am glad he agrees with our approach with respect to parks planning and the process under the Parks Act whereby we have master plans developed by our ministry staff available for public comment.

If he really examines what we are doing, he will see it is on all fours with the Environmental Assessment Act.

**Mr. Conway:** Mr. Speaker, can the minister indicate what response, if any, there has been to an advertisement placed by his ministry in, among other publications, the *Toronto Globe and Mail* of Tuesday, June 8, concerning a forest development opportunity in the Bancroft area?

Is the minister in a position today to indicate to this House what response, if any, there has been to that initiative, which would be very timely in terms of an uptake given the very critical situation in which the north Hastings area finds itself this week?

**Hon. Mr. Pope:** Mr. Speaker, we have received some replies and, as I indicated last Friday, there were two indications of interest from two forest products companies and we are pursuing them.

#### BRUCE HYDRO LINE

**Mr. McKessock:** Mr. Speaker, I have a question for the Minister of the Environment.

Ontario Hydro submitted a plan to the consolidated hearings board for delivering power from the Bruce nuclear power complex to southwestern Ontario and the hearing officers, in a split decision, decided against the recommended route M-1, which Hydro put before the board, and came down in favour of the M-3 route.

Grey county residents and, I suspect, Bruce and Simcoe residents did not know the board could do that but thought the hearings were only on the M-1 route. It is no wonder they thought this, because the hearings were all held in Stratford on the M-1 route and no notices were received by the municipalities saying the board could reject Hydro's chosen route put before the Environmental Assessment Board and pick another route.

In view of these facts, will the minister extend the hearings before the cabinet makes the final decision and hold at least a few days' hearings in the area of M-3 route recommended by the consolidated hearings board to allow the people affected to have some input?

**Hon. Mr. Norton:** Mr. Speaker, although I have not personally reviewed in detail all the documents that were submitted by Ontario Hydro, I think the honourable member, and those on whose behalf he asked the question, will recognize that all the alternative routes were described and the hearing applied to them all.

After the conclusion of what has already been a lengthy hearing—it was open to the public and anyone could participate—to ask that it now be reopened because someone was ill advised by counsel or whatever, surely is impossible. Otherwise, there could never be an end to the hearing process.

I think the simple answer is no.

**3:10 p.m.**

**Mr. McKessock:** If all routes were looked at, why were all the hearings held at Stratford on the M-1 route chosen by Hydro, 100 miles away from the Grey-Bruce-Simcoe route that was finally chosen? It looks as if it was done to reflect only on the M-1 route and to deflect input from other areas.

I believe this was the consolidated hearings board's first attempt, but why were notices put in the paper using a lot of words but saying nothing about the six routes being looked at? I have in my hand one of the notices that was put in the paper. It says nothing about the six routes that were being looked at.

**Hon. Mr. Norton:** Obviously I do not determine the location of the hearings; that is a matter for the board to determine. It is my understanding that prior to the commencement of the hearings, meetings were held involving not only the proponents and counsel but also counsel for others who were interested in participating as a preamble or preliminary to the

beginning of the hearings. If there were a concern to be expressed about the locus of the hearings, that would have been the appropriate time to raise it, not after the conclusion of the hearings.

Surely the member understands that if a hearing is to be held which covers a number of alternatives and which could cover the whole of southwestern Ontario, at some point a decision has to be made on a reasonably central location for such hearings. Otherwise, every time there is a shift in the evidence that is being heard on one or the other of a number of alternatives, one would have to close up shop and move 100 miles down the road to hear the next part of that hearing. That does not make any sense.

It is true that if people have 100 miles to travel, it is something of an inconvenience. But, by the same token, the approach the member might be suggesting would be simply impossible to administer.

**Mr. McKessock:** Mr. Speaker, on a point of order: As well as being legal, should the notice not be understandable?

**Mr. Speaker:** Order.

#### EMPLOYEE HEALTH AND SAFETY

**Mr. Martel:** Mr. Speaker, I have a question for the Minister of Labour with respect to Surrey Place, where children have been allowed to play with toys covered with asbestos, where workers are working without protective equipment and where cleaning staff has been cleaning up asbestos without the appropriate equipment.

Is the minister aware that members of his staff went in there on Friday and yesterday and did not even bother to consult with the president of the local, who was responsible for the investigation that went on?

**Hon. Mr. Ramsay:** Mr. Speaker, I am aware that members of my staff were there yesterday and the day before, and have been there quite frequently in the past number of weeks, but I was not aware they had not spoken to the officials of the union.

**Mr. Martel:** Is the minister aware that just yesterday a rehabilitation counsellor was instructed to clean up the dust in the outpatient area, given only a pair of rubber gloves, with no instructions on how to proceed and without a respirator? The cleaning staff have still not been told what type of equipment they should be wearing to protect themselves as they clean up this asbes-

tos. The toy box where the children get the toys from is still full of asbestos.

Surely it is time the minister signalled to employers in this province that he will no longer allow these situations to occur and that he is prepared to prosecute to put an end to it once and for all.

**Hon. Mr. Ramsay:** The member has talked about prosecutions and orders. I would like to put on the record the fact that under the provisions of the regulations, since 1979-80 to March 31, 1982, more than 10,000 orders have been issued by the ministry. The ministry issues stop-work orders in situations where the workers' health is in danger and control measures are not in place. At least 1,100 such orders were issued in 1980-81. Finally, the ministry does prosecute offenders under the Occupational Health and Safety Act. In 1980-81, there were 234 cases prosecuted; the number rose to 390 in 1981-82.

#### AUTOMOBILE PURCHASE

**Mr. Roy:** Mr. Speaker, on a point of privilege: I am advised that the Minister of Tourism and Recreation (Mr. Baetz)—the minister of good times, if we can call him that—made an announcement last Friday to the effect that the Ontario Lottery Corp. would have draws for automobiles. In the process, he did not give any credit to my colleague the member for Windsor-Walkerville (Mr. Newman).

**Mr. Speaker:** Order. That is no point of privilege.

**Mr. Roy:** It is.

**Mr. Speaker:** Order. Will the member for Ottawa East please resume his seat? Thank you.

#### RADIO READING SERVICE

**Ms. Bryden:** Mr. Speaker, on a point of privilege: on June 7, I sent an open letter to the Premier, asking him to provide ongoing funding for the Radio Reading Service, which keeps visually handicapped people in touch with the world. I pointed out the urgency of the situation, because the service will close this week and all the employees are working without pay.

**Mr. Speaker:** Order. That really is not a point of privilege.

**Ms. Bryden:** I have received no reply from the Premier.

**Mr. Speaker:** I am sure the Premier will take note and will reply at his earliest convenience.



## MOTION

### STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Hon. Mr. Gregory moved that in addition to its regular sittings, the standing committee on resources development in considering Bill 115, An Act to amend the Retail Sales Tax Act, be authorized to sit Monday afternoon and evening, June 28 and July 5, Tuesday afternoon, June 29 and July 6, and Wednesday afternoon, June 30 and July 7, and that the bill be reported back to the House before adjournment Wednesday, July 7.

Motion agreed to.

## INTRODUCTION OF BILLS

### FAIR PRICING ACT

Mr. Swart moved, seconded by Mr. Breaugh, first reading of Bill 153, An Act to provide for the Fair Pricing of Products and Services Sold to Consumers in Ontario.

Motion agreed to.

**Mr. Swart:** Mr. Speaker, the purpose of the bill is to require a fair price for every product and service sold to consumers in Ontario. Where a retail seller charges an unfair price, the bill sets out proceedings and remedies for ensuring compliance with the fair pricing requirements. The bill provides for an appeal of fair pricing orders to the Commercial Registration Appeal Tribunal.

I have three other bills to present.

### CONSUMER PROTECTION AMENDMENT ACT

Mr. Swart, seconded by Mr. Breaugh, moved first reading of Bill 154, An Act to amend the Consumer Protection Act.

Motion agreed to.

**Mr. Swart:** Mr. Speaker, the purpose of the bill is to require that every product offered for sale bearing a product code must also be marked with its purchase price. The bill prohibits increases in the purchase price of a product above the price initially marked on it by the retailer. The bill also provides that if the price marked on the product differs from the price associated with the product code, the purchase price of the product is the lower of the two prices.

3:20 p.m.

### AUTOMOBILE INSURANCE RATE CONTROL ACT

Mr. Swart moved, seconded by Mr. Breaugh, first reading of Bill 155, An Act to establish the Automobile Insurance Rate Control Board.

Motion agreed to.

**Mr. Swart:** Mr. Speaker, the bill establishes an automobile insurance rate control board that would have the power to approve and fix rates and to conduct public hearings dealing with rate increases.

### MILK AMENDMENT ACT

Mr. Swart, seconded by Mr. Breaugh, moved first reading of Bill 156, An Act to amend the Milk Act.

Motion agreed to.

**Mr. Swart:** Mr. Speaker, the final bill of this series of consumer protection bills permits the Milk Commission of Ontario to determine prices at the retail level as well as at the wholesale level for milk, skim milk, buttermilk, flavoured milk and cream.

### RETAIL SALES TAX

**Mr. Martel:** Mr. Speaker, I had a constituent who came to my office today from Sudbury who brought this Simpsons-Sears catalogue. She wanted me to send it to the Treasurer to use in his john. I wonder if I could get a page to put that on his desk so he will have it when he returns.

### COMPENDIUM REQUIREMENT

**Mr. T. P. Reid:** Mr. Speaker, on a point of order: I had hoped this matter would have been resolved earlier, but I direct your attention to the standing orders, specifically 32(c), which states: "On the introduction of a government bill, a compendium of background information shall be delivered to the opposition critics. If it is an amending bill, an up-to-date consolidation . . ." etc.

We are dealing this afternoon with some fairly esoteric and complicated bills, particularly An Act to Amend the Provincial Land Tax and others, and yet we received no compendium of information, no background studies, no reports on the impact of the passage of these bills.

Mr. Speaker, I hope you will draw it to the attention of the chief government whip (Mr. Gregory), who is the acting government House leader, and the cabinet minister involved.

## ANSWERS TO QUESTIONS ON NOTICE PAPER

**Hon. Mr. Gregory:** Mr. Speaker, prior to orders of the day, I wish to table the answers to questions 96, 171, 182, 192, 211, 212 and 214 on the Notice Paper and the interim answers to questions 206 and 209 [see Hansard for Friday, June 25].

Before calling the first order, there is an understanding between the House leaders and the whips that any second readings we reach today, where necessary, can be stacked until 10:15 this evening. Is that agreeable?

**Mr. T. P. Reid:** Right.

**Mr. Martel:** Agreed.

## ORDERS OF THE DAY

### ONTARIO LOAN ACT

Resuming the adjourned debate on the motion for second reading of Bill 111, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund.

**Mr. T. P. Reid:** Mr. Speaker, I may be wrong, but I believe I had the floor on this bill. I do have a few more comments left, and I know the Treasurer (Mr. F. S. Miller) would not want me to miss my opportunity to make them. However, I think I have given this bill a fairly thorough airing, although there are other things I could say.

Just to reiterate what I said before, we will not be supporting this bill. We are not happy with the way the Treasurer has taken what we consider to be undue advantage of some of these pension funds.

I would just like to wrap up my short, pithy and concise remarks on this bill by—

**Hon. F. S. Miller:** Short and pithy?

**Hon. Miss Stephenson:** You have got to be kidding. Pithy it has not been. Concise it has not been.

**Mr. T. P. Reid:** Pithy? I am sorry the minister's lisp is confusing me.

However, in relation to Bill 111, I would like to end it with a small ditty, which I think pretty well sums up the principle behind this bill.

**Hon. F. S. Miller:** If you are writing a ditty, all I can say is pity.

**Mr. T. P. Reid:** It goes like this:

The net cash requirements are high,  
But Frank Miller continues to sigh;  
For \$2.2 billion he will tax 8.6 million,  
For those puppies and that large pizza pie."

**The Deputy Speaker:** Either you are shocked or you are not. The member for Windsor-Riverside.

**Mr. T. P. Reid:** Be brief, eh?

**Mr. Cooke:** Yes, I will be brief. I am sure I could have summarized what the member said in 10 hours in—well, he summarized it very well in the past three minutes.

**Hon. Mr. Ashe:** He said about the same thing. I agree.

**Mr. Cooke:** The minister and I agree on something. But I am not sure I want to agree with him on anything, even if it is classifying the speeches of the member for Rainy River (Mr. T. P. Reid).

Mr. Speaker, I want to make a few comments on this bill. I will begin by pointing out that this caucus will not be supporting Bill 111. To support this bill would mean that this caucus would be supporting this government's priorities, and certainly we cannot do that. I do not think there has been a budget in the five years I have been here that has been so mixed up, confused and totally wrong in its priorities as this one is.

It is one of the examples of this government's investments. It is the position of this party that any kind of borrowing done should be viewed and used as the investment part of a provincial budget. I do congratulate the Treasurer (Mr. F. S. Miller) that in this budget he did accept that one principle. I am not sure he accepted it because he deeply believes in it. I think he accepted it more because he was trying to react to the right-wing approach of some sectors of our community on the government deficit problem.

However, I do not think the overall deficit of the provincial government in Ontario is a problem. It is about 10 per cent of its overall budget or its borrowings to meet the requirements on a yearly basis. I do not think that presents a serious problem. My friends to my right consider that to be a problem. I agree that at the federal level we are getting into a somewhat difficult situation with a \$16-billion to \$18-billion deficit.

When we take a look at this government's priorities under its budget, we have to come to the conclusion that this bill is unsupportable. Programs such as the renter-buy program do nothing to help the people who need assistance. Today, my leader spelled out the nation-wide statistics on how many people have qualified for the federal mortgage assistance program, and it



is obvious the program is not working; it is obvious that people need assistance but are not willing to use the federal program because of its restrictions.

**3:30 p.m.**

As our task force has been going across the province we have been told by bankers and by unemployment help centres that the federal program is too restrictive and is not meeting the need at all. Last week, when we were in Windsor, we were told that only one trust company in the city of Windsor was even using the program. The fact is that when you defer interest, as you do under the federal program—and that is the part of the program you qualify for if you have equity in your home—at the end of the year you will have less equity in your home than you did at the beginning of the year.

So this government certainly has a responsibility, and the fact that it has decided to help those people who need no help to keep their homes rather than those people who need help shows the government's priorities.

When one looks at investments one also has to look at what happened with Massey-Ferguson a year or a year and a half ago when the government came in and, rather than invest directly in Massey, decided to guarantee shares. At the time, they said that it was a cheaper way of doing it and they would rather take the risk by guaranteeing other people.

I am looking for the press clipping, but I do not have it in front of me. The fact is that just a couple of weeks ago when Massey paid no dividends on the preferred shares—

**Mr. T. P. Reid:** This is not on the principle of the bill.

**Mr. Cooke:** It is on the principle of the bill since we are talking about an investment. It is much closer to the principle of the bill than the member was.

**The Deputy Speaker:** On a point of order the member for Rainy River (Mr. T. P. Reid) has pointed out that it is not on the principle of the bill.

**Mr. Cooke:** That's right.

**The Deputy Speaker:** However, talk about who is calling the kettle black.

**Mr. Cooke:** That's right.

Mr. Speaker, we are talking about government investments, and the government has referred to their borrowings as the section of

their budget that is an investment budget. I just want to spend a few minutes talking about that.

A year ago, the government indicated that Massey-Ferguson was not an investment it wanted to get directly involved in. Now that the government has been forced to do that because the preferred shares are not receiving the dividends and Massey is going to invoke its right with the Canadian Imperial Bank of Commerce and the other banks that are involved to force the federal and provincial governments to buy up those shares, we see quotes in the paper by the Minister of Industry and Trade (Mr. Walker) that Massey is, in fact, a very good investment for the government. The inconsistency on the part of this government when it comes to investing, creating jobs and creating wealth is very obvious in that there is no investment strategy whatsoever.

Another aspect of this budget that should be an investment section of the budget is the small business tax expenditure. The Treasurer indicated that this \$250 million in foregone revenue, which does contribute to the deficit, will mean that 10,000 jobs will be created. But our task force has now visited with several chambers of commerce as well as small business groups across the province. Without exception, they have indicated to us that this tax expenditure, this small business tax giveaway, is not going to help them at all. No small businessman in his right mind would take the money that is saved—the taxes he will no longer have to pay to the provincial government—even if he is in the fortunate position of being incorporated and being profitable, and reinvest it to create jobs. That simply will not happen in our economy today.

Why would anyone invest in an economy that is going downhill so quickly? Why would anyone invest, whether he is in manufacturing or in the service sector, when the demand does not exist?

What we need in the small business sector—and we will get to this bill later today—is a strategy to help those small businesses, especially in the very hard-hit communities. And the number of these communities is growing; there are many more hard-hit communities in Ontario now than there were a year ago.

Sault Ste. Marie, for example, can be considered to be in the midst of a depression, as were many southern communities a year ago. The government should have developed a program to help those communities and the small businesses in those communities so they could

avoid bankruptcy. Instead, we are going to lose 18,000 to 25,000 jobs in the small business sector because this government has this philosophy of helping only the winners.

A real government investment strategy would have involved a serious approach and a serious strategy in the areas where we need investment to attack the problem of imports. When we look at machinery, we see a deficit of well over \$10 billion. In some silly areas where we import, such as \$210-million worth of hand tools and \$119-million worth of power tools, these are areas where, whether it be mining machinery or the types I have mentioned, there is demand here in Ontario.

A government investment strategy to create jobs could have taken advantage of those opportunities, created thousands of jobs, created wealth and contributed to the elimination of unemployment. Instead, the policy adopted in the budget contributes to the problem of unemployment by doing nothing to save jobs and doing little, if anything, to create jobs.

This province continues to follow a strategy of more foreign investment which will mean more of an outflow of capital and which will also drive up interest rates.

**Mr. T. P. Reid:** He is not talking to the principle of the bill.

**Mr. Nixon:** I think you should get up on a point of order.

**Mr. Cooke:** I think this is much more related to the principle of the bill than the member's 10½ hours of speaking which seemed like 30 days.

**Mr. T. P. Reid:** Mr. Speaker, on a point of order: The member is not speaking to the principle of the bill. You were in the chair for a good part of my comments. You know I was always talking about the public debt and the borrowing necessary to service that public debt. I submit to you my remarks were on the principle of the bill and I suggest the member should stick to that.

**The Deputy Speaker:** I have been listening closely—

**Mr. Foulds:** Mr. Speaker, on the point of order: I can assure you and other honourable members of the House that my colleague from Windsor-Riverside will be as true and as accurate, and will stick to the principle of this bill, equally and in as parallel a way as the member from Rainy River did in his previous speeches.

**The Deputy Speaker:** The chair will allow a few minutes warm-up as it were.

**Mr. Cooke:** As I said, we are talking about an investment strategy. The budget points out that the borrowings involved in this budget are part of this government's investment strategy that its operating budget is a balanced budget. Therefore, I think the comments I have made so far are quite in order.

I only have a couple more comments to make. We have talked about a government investment strategy and we have talked about the responsibility of this government to create jobs. I guess the most disappointing long-term prognosis for this province, as a result of the budget that came down on May 13, is that this government still does not understand it does have a role to play to create wealth and to create long-term, permanent jobs in Ontario.

The government continues to indicate that the recession, and in some areas of the province the depression, that exists at present is a cyclical downturn in the economy. We know better than that. We know from the statistics coming out on a daily basis that things are getting worse. We know what Liberal interest rates are doing to the province and to this entire country. I can understand why the member for Rainy River does not like to talk about those types of things. He does not like to talk about the effects of Liberal interest rates on the economy of this province.

In this party, we recognize that, sure, the Liberals at the federal level are wrong. The people of Hamilton West recognized that last week and more people will recognize that come the next election.

We recognize that, but we also realize that the Treasurer and this government have a responsibility and must recognize that the stubbornness of the federal government is such it is not going to change its philosophy or approach. We in this province are on the brink of disaster and there must be an industrial and investment strategy developed.

The moneys we are borrowing in this budget and the wealth that could be created with those moneys must be used in a long-term strategy, not just to pay off day-to-day expenses or to pay for silly investments, such as in Suncor, the \$10 million jet or the transfer of incredible amounts of money to the most wealthy in the province, such as the doctors.

Those kinds of strategies, those kinds of transfers do nothing for the long-term economic health of this province and that is why we intend to vote against this bill.

**3:40 p.m.**



**Mr. Bradley:** Mr. Speaker, in speaking on this budget bill, and in recognition of the fact it allows members of this Legislature an opportunity to discuss budgetary matters in a rather general way, I must commend you on permitting members to do so, particularly the member for Rainy River (Mr. T. P. Reid) who spoke so eloquently.

**Hon. F. S. Miller:** On a point of order, Mr. Speaker: I do not think that was ever accepted as a privilege in this case. I repeatedly pointed out the bill was to be spoken to in detail in this area.

**The Deputy Speaker:** The member for Rainy River brought to our attention that at all times he spoke to Bill 111.

**Hon. Miss Stephenson:** He did?

**The Deputy Speaker:** That is what he said.

**Mr. Cooke:** On the point of order, Mr. Speaker: The debate on this bill went on for 10 hours with 90 per cent of the comments made by the member for Rainy River, which were completely irrelevant when it came to Bill 111.

**Mr. T. P. Reid:** That is not true.

**Mr. Cooke:** The debate on this bill will be over shortly so let us not be silly on how we are going to rule on it. The Treasurer, who sat there and listened to the irrelevant comments by the member for Rainy River, did not make any objections.

**Hon. F. S. Miller:** I did.

**Mr. Cooke:** The Treasurer sent things across the floor but he made few points of order.

**Hon. F. S. Miller:** With respect, I asked for a ruling on at least three occasions. I thought the comments of the member for Windsor-Riverside (Mr. Cooke) were right on the mark and I commend him for them. I was just asking the chair to rule.

The member for St. Catharines (Mr. Bradley) started out by saying there was a general discussion of budgetary policy permitted. It was my understanding that was not the case. I did not want that to be construed as being so at this point. I would be quite happy to have him talk to the bill. Any member of this House has that privilege. I accept that. I simply would like us to recognize we have made some agreements and I would hope we are sticking to principle.

**The Deputy Speaker:** Taking the suggestion of the member for Windsor-Riverside, let us get on with it.

**Mr. Bradley:** That is fine. I can speak for any length of time as well if one is to address the

exact and precise measures contained in the bill. If that is the attitude that is wanted, then that is exactly what I will do for a period of time.

To go back to this bill, members of this Legislature want to stand on behalf of their constituents to speak on their behalf about the budgetary policies that have required this government to raise \$2.5 billion for this particular year.

Many people in our area of the province are very concerned, for instance, about the automotive industry and wonder, when the government is borrowing \$2.5 billion for this fiscal year, why more of the programs and projects which are involved in this budget do not directly assist those who are adversely affected by the downturn in the automotive industry.

When a Treasurer brings in a budget which takes money out of the pockets of the consumers of this province in many ways, we feel that it leaves less money to be spent on products such as automobiles. I am sure those who represent areas where other consumer products are not being sold at the rate they were in the past would express the same concerns.

This government points its finger at the federal government for action and, indeed, the federal government does have a major role to play in alleviating the problems of the automotive industry. But this government had the opportunity to do the same thing with the money, the \$2.5 billion, that has to be borrowed in this fiscal year.

We look at some of the expenditures made by this government with the money that has been raised and question those expenditures quite legitimately.

On many occasions, both in committee and in the House, we in the opposition have expressed genuine concern about the amount of money spent on advertising by the government, advertising which, in many cases, we feel is blatantly political and excessive both in terms of the cost and the frequency of the advertising.

I suggested in a question to the minister that the amount of the borrowed money he would be spending on advertising could be reduced by as much as two thirds without causing any problems for the government, and I maintain that recommendation.

I also think of land-banking schemes; a townsite at a place called Townsend where a considerable amount of money has been spent by this government—"squandered" is the term I might use. Though one might say that is political, there are many people who have viewed that

expenditure with a good deal of concern and would agree with my contention.

We also say that money is being borrowed for the purchase of a number of shares in Suncor. For many months, we in the opposition have expressed our strong opposition to this purchase. This has been based mainly on the fact this government was not forthcoming with all the information that would have been useful to us in making a judgement as to whether or not it was a reasonable investment. From the information the government has provided to this time, we feel it is a misappropriation of those funds which this government has to borrow.

Something else for which the government will have to borrow and which we feel is definitely an example of extravagance and unnecessary expenditure—and I say this knowing it has been a matter of jest many times in this House—is the aircraft which is being described by some as an air ambulance or as a backup air ambulance. But, in our view, it is primarily for the purpose of transporting the Premier, the members of the cabinet and senior government officials, in relative luxury, certainly in efficiency and comfort.

We feel that borrowing money for that expenditure is not reasonable on the part of this government. We would be far more supportive if the government was borrowing money to do things which we feel would affect the average individual in this province in a positive and direct way. Many of us have probably received more letters and telephone calls on this budget and on this subject than on anything else which has come before this Legislature, or which has been a matter of interest in the provincial media.

One of the problems for an opposition in a legislature such as the Ontario Legislature is that most people focus their attention on the national scene. No doubt there are some people in this province who think the sales tax and the increase in the Ontario health insurance plan premiums are a result of the transgressions of the federal government.

Even though this works to the advantage of the government, you will appreciate, Mr. Speaker, as a representative from outside Metro Toronto, and as an individual who is interested in provincial politics you would recognize, that when the focus of attention is on the national news and national items, whether the federal government is doing a good or bad job economically, that is where the interest is centred.

The same could be said of the newspapers.

Most newspapers carry international or important local or national news on the front pages. To read about something that happens in the Legislature—for instance, in my own newspaper, the St. Catharines Standard—one often has to look at the back pages. And if it concerns the member for St. Catharines, one would have a hard time finding it even there. My friends on the other side would say, “Justifiably so,” but I would disagree.

Even though there is not much focus of attention on provincial issues, this special subject, the provincial budget and this bill, are of great interest to my constituents. Certainly students would agree with the Ontario Federation of Students who talk about the budgetary measures which would adversely affect them, particularly the sales tax. There would be others affected as well.

For instance, a headline in the St. Catharines Standard, referring to the town of Lincoln, says, “Ontario Tax Bite Said Dirty Trick.” The new member for Lincoln (Mr. Andrewes) would have a good many friends in that town, but we have a budgetary measure of which the opinion of the town of Lincoln, where there are many friends of this government, is not particularly favourable to this government.

I look at the Lincoln County Board of Education which admonishes this government for its budgetary measures. They would have hoped that if this government was going to borrow \$2.5 billion under the provisions of this bill it would not have had to go to the Lincoln County Board of Education and take seven per cent in sales tax in areas where it had not been applied before, thus creating budgetary problems for the board.

**3:50 p.m.**

I have a constituent in St. Catharines, by the name of Jerry Burke, who is in the doughnut business in Fonthill. He recognizes there are great complications in that tax. We have discussed this many times in the House with the Minister of Revenue (Mr. Ashe), and opposition members have asked him specific questions about it. Jerry Burke would certainly think that problem could be ironed out and that when the government borrows money, it should not have to take money from his particular business. He feels it is being treated differently than one of the large doughnut chains which appears to be getting away with something his company cannot get away with. I have advised him to bring that directly to the attention of the ministry.

Petitions have been presented to the Treasurer from York Cleaners and Reid Cleaners in St.



Catharines on the application of his tax as it relates to repairs and alterations to clothing done by cleaners. A number of people have justifiably expressed concern about that because this hits hardest at people with low and fixed incomes.

Mr. S. Bodis, of 32 Ted Street in St. Catharines, is very concerned. He is 67 years old and has never before called an MPP with a complaint, but he considers the sales tax on food, even a cup of coffee, to be "a dirty, rotten thing."

Many people are protesting this time and again. Mr. John Heidebrecht, of 301 Linwell Road in St. Catharines, is protesting the retail sales tax additions to the budget. He wanted the Treasurer's address and we gave it to him. I presume the minister will be answering him. Mr. Heidebrecht grossed only \$7,000 in his business and he does not know how much longer small businessmen will be able to keep going.

These are everyday people. These are not those of us in the Legislature who are insulated from these problems to a great extent by the fact that many of our expenses are looked after and we get a rate of pay that is more favourable than that of many people in this province.

I see the Minister of Natural Resources (Mr. Pope) is here. He has a difficult ministry to handle and I know he is making an effort to handle that ministry in the best way he knows how. However, Reverend Fred Fletcher, of Scott Street in St. Catharines, worries that because of expenditures in other areas, senior citizens now have to pay for camping in provincial parks on weekends. I know that is not an easy question to wrestle with and I do not want to be partisan and tear the minister apart on it, but when individuals see how the government is spending its money yet senior citizens are now required to pay a fee in a provincial park, they are very concerned and I bring that to the attention of the government.

I have a letter from Reverend Alan Bennett of the First United Church in St. Catharines. This letter went to the member for Brock (Mr. Welch) concerning the provisions that would adversely affect churches and the work they do. In the interest of time, I will not go into detail except to note the letter has gone to the government and concern has been expressed.

The Lincoln County Roman Catholic Separate School Board wanted to notify the Treasurer of the injustice in the new budget with respect to taxes being imposed on taxes, specifically the tax on school supplies and school building

materials. They went into some detail on this. Once again, I would not read it into the record unless I were involved in an exercise as my friend the member for Rainy River (Mr. T. P. Reid) was some time ago.

The Board of Education of the Borough of York expressed the same concerns, as did some individuals in the provincial constituency of St. Catharines.

Mr. Ron Kane who operates Kane's Coffee and Vending Services is concerned about how vending machine operators are going to be affected by the budget. In his telephone call to me, he went into great detail and asked me to bring this to the attention of the government.

Mr. Ron Brodeur, of Brock, is very concerned about the provisions of this budget. He is not the kind of individual who would normally phone a constituency office.

Miss Gail Blake is described as being absolutely furious with the budget, particularly with the unreasonableness of taxing personal items. She wanted to know if she could take up a petition and have it brought to the Legislature. On her behalf, I have taken that position and have taken the petition to the government.

Mr. Brent Winger, who operates the Brite Corner Restaurant in St. Catharines, Ontario, is concerned about the tax on food, and he got together a petition from the people who use his establishment.

Miss Cathy Rosenfeld, 52 Strathcona Drive, St. Catharines, thinks the tax on health and hygiene products is ridiculous and the Progressive Conservative Party is out of line in what it is doing. I could go into great detail and I have indicated why I am not reading holus-bolus, so to speak, but sometimes there are two pages of typing from my constituency office secretary to me on the detail people have gone into on this budget.

Mrs. Gracia Janes, 58 Grapeview Drive, in the riding of Brock is fully aware this is not my budget, but she thought she would call here anyway to register her annoyance with it. She talked about fast foods and school supplies and so on being taxed and expresses concern about that.

Mr. Alex Patterson talks about the budget and he wants me, as his representative, to bring to the attention of the government his concern about the additional cost to business people and the additional cost to consumers. Mr. William Widdowson—

**Hon. Mr. Ashe:** Don't forget to put in your

order for all those Hansards you are going to be sending out.

**Mr. Bradley:** The Minister of Revenue talks about all the Hansards and indeed I will be sending out Hansards. Those people are looking for someone who represents them to bring their individual problems to the attention of the government. One of the great difficulties with governments today, and I say this not only to this government but to all governments, particularly at the senior provincial and federal levels, is that they have lost contact with the average individual.

When we think of facts and figures and numbers, we do not think of the effect on individuals. I really and truly believe that if the government had known the problems it was going to create by extending the sales tax, for instance, it would not have done it. I do not think it would have perpetrated upon the people of this province the transgressions it has through its budgetary measures. I do not think the government is really out to get the people of Ontario. I am not cynical enough to sit here and think it is out to get the poor or the people on low incomes. But, in effect, it has through its budgetary measures. That is why I am taking this opportunity to bring to its attention the problems of individuals within our communities.

**The Deputy Speaker:** Speaking of opportunity, I would like some guidance from you. I have let you go on at great length and I see you have a pile yet, I guess, of particular people who have phoned in.

**Mr. Bradley:** Right.

**The Deputy Speaker:** With all due respect, I am looking at the bill, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund, and at its explanatory note. Having some semblance of reasonableness, I am wondering where your comments about the seven per cent increase in sales tax fit in to any of those categories. I do not want to have a big debate with you, but I think I have been fair in letting you go on at length on this. I am hoping you will be fair.

**Mr. Bradley:** Coming from this particular Speaker, I would like to accept that kind of admonishment. In my view, this Speaker has been very fair to the opposition and has allowed a good deal of latitude. I recognize our time confinements this afternoon.

I will simply say to you, Mr. Speaker, that I have received, as you have pointed out, and

could read into the record if time were to permit, a number of individual complaints from people. In fairness to what you are trying to accomplish here this afternoon, I will cut that part short and simply say that when time permits, we, as representatives in this Legislature, will be bringing forward those problems which have come to the members' attention on an individual basis, perhaps in the budget debate itself, if the general budget debate will allow us to do this.

I hope I have been able to touch on some of the problems people see. We recognize why the government is borrowing. We disagree with some of the areas. We agree with some of the areas. We happen to agree that some of the things the government is going to be spending that \$2.5 billion on are valuable. But when I look at its budget, I would say that for a government that prides itself on being good in terms of financial management, it is running a huge deficit.

As such, I do not object to deficit financing, because our present times call for deficit financing. We may disagree with some of the areas where it is spending the money and think the deficit does not have to be so large; nevertheless, I would not want to give the impression that I, as an individual, or many of the people on this side would deny that deficit financing is not a necessary tool to assist people in difficult economic times.

**4 p.m.**

I appreciate having had this opportunity to touch on a number of areas. I could probably go on for a couple of hours, but we have an agreement in this House that we will proceed somewhat more expeditiously than we have in the past. Those who want to make representations will have the opportunity to do so through a committee which we in the opposition have forced upon this government and which will not just deal with the bill but will also hold public hearings. It is a step forward, in my view, a victory on the part of the opposition for the people of Ontario, and with that I express great satisfaction.

**Mr. Wildman:** Mr. Speaker, I rise to participate in this debate with some degree of disappointment over the fact that we are discussing a bill for the raising of funds through borrowing by a government that apparently has very little idea, in fact is almost bankrupt of ideas, about what should be done to have productive invest-



ment in this province so that we can turn around the economic crisis that we face.

We see a government that is prepared to borrow \$2.25 billion for the consolidated revenue fund, a figure which is about equal to its deficit, and yet we see a government that is unable, or because of its ideology is unwilling, to use deficit financing in such a way as to stimulate the economy of the province to provide employment at a time when we face serious economic downturns.

**Hon. Mr. Ashe:** Wrong.

**Mr. Wildman:** The Minister of Revenue says wrong. I have searched—

**Hon. Mr. Ashe:** Read the budget again.

**Mr. Wildman:** Since the minister raises the question of the budget I will say I have searched carefully in the budget for stimulation, for attempts to provide for employment development in the areas of the province that are facing serious problems, and I have found the budget wanting.

The riding that I represent in this House is the district of Algoma, except for Elliot Lake and the city of Sault Ste. Marie, which are not in my riding. However, the rest of the district is included in Algoma riding. I am informed that the unemployment rate in the district of Algoma and in the city of Sault Ste. Marie is running at 11.3 per cent. That is a record level, the highest unemployment level we have had in 20 to 30 years.

A minister of the crown sits in this House and says I am wrong when I say there is nothing stimulative about the budget. He says to read the budget again. We have looked at the budget. We know the budget predicts 31,000 temporary jobs. I am not certain if this borrowing is going to be used to help finance those temporary jobs, but it does very little, if anything, for the steel industry in Algoma riding and Sault Ste. Marie.

In the city of Sault Ste. Marie and the immediately adjacent area we currently have about 2,400 workers on layoff. That is the biggest layoff that Algoma Steel has experienced since 1954. Sault Ste. Marie, in April, had the largest number of people collecting welfare assistance that it has ever had. It was a record.

Most of them are people who have never before had to collect welfare. Many of them are people who have trades, who have had well-paying jobs in the steel industry, who have been laid off, who have gone to the Unemployment Insurance Commission, have had a long waiting period, have not been able to make it and so

have had to seek welfare assistance. Those people who do qualify for unemployment insurance, when their vacation and UIC benefits run out in August or September, unless there is an upturn in the economy, will return to the welfare department and collect benefits that will place a tremendous burden on the city of Sault Ste. Marie.

There is nothing in the budget that even talks about those kinds of problems. There is nothing in the budget that stimulates the manufacturing sector, especially the auto sector, which would then spin off back to the steel industry and turn around the serious crisis we are now facing in that industry. The only reason there are not more people on layoff at Algoma Steel, the only reason they are not completely shut down, is that they are shutting down their ore division in Wawa in my riding for a full month this summer. The only reason is the upturn in the auto industry in the United States, which is related to the fall in fuel prices in that country.

The only other thing on the horizon that may assist Algoma Steel in preventing further layoffs and in perhaps calling back some of the workers it has already laid off is the apparently imminent collapse of the Sydney Steel Corp. and its inability to meet its obligations to Canadian National. If Algoma Steel gets that contract then things may turn up for Sault Ste. Marie.

Mr. Speaker, I do not know how you feel, coming from Markham. There was a program on the radio recently that compared Markham to Sydney, Nova Scotia. As a resident of Algoma district and of Sault Ste. Marie, I certainly do not feel very happy about a situation in which the continued employment of many people in my area of the province is dependent on the increased unemployment of the people of Cape Breton in the Maritimes.

There is no question that the main problem we face in our economy today is the high interest rate policy of the Liberals. The people of Hamilton West recognized this last week, but they also recognized that this provincial government has a responsibility to protect the residents of Ontario from the serious effects of the economic policies that are being followed in Ottawa. Those voters in Hamilton West, like most of the people in this province, recognize when they look at this provincial budget that this government has not responded to its responsibilities to protect those people.

The Minister of Revenue may say, "Read the budget again." I have searched the budget very carefully and there is nothing in it that does a

thing for the manufacturing sector on a long-term basis. This government continues to argue that this is just a cyclical downturn, that things are going to look up in the fourth quarter of this year. The figures published just recently are first-quarter figures. We should not look at them and say things are serious; when we do we are accused of gloom and doom.

We should only think, "The second-quarter figures are not out yet; maybe they will be a little better." We should look to Ronald Reagan and say: "Things are looking up in the United States. The inflation rate is dropping there." That may be true, but we also must recognize that the United States has its highest unemployment rate since the 1930s, and if that is the kind of policy this government advocates for this country and for North America we are in for more and more layoffs.

**4:10 p.m.**

What response do we have from this government about the need to encourage investment? Do we have this government raising funds for direct investment in those parts of our economy that are suffering from import penetration so we can produce more jobs? No. Instead, we have a government which says the route to increased investment in our economy that will produce jobs on a long-term basis is more foreign investment.

It would have been laughable if it had not been so pathetic when the Minister of Industry and Trade (Mr. Walker) got up in this House and went on at great length about the future of the Ontario economy and how the Japanese had so much confidence in the economy of this province that they were going to invest at Elmira, and then he had to admit it was only nine jobs he was talking about. That was a big announcement.

**Mr. Mackenzie:** That was one of the biggies.

**Mr. Wildman:** Yes, he did not just get up and say: "We are happy that Sanyo is going to open a plant or a warehouse at Elmira."

**Mr. Cooke:** In three years, there are going to be 27 jobs.

**Mr. Wildman:** Oh yes, I forgot. In three years there are going to be three times that many jobs. That is quite a phenomenal increase if one thinks about it; a new plant and in three years they are going to have three times the number of jobs they will have when they initially open up.

The 27 jobs for Elmira is wonderful for Elmira. I do not downgrade that, but it does not do a thing for the economy of this province. If

that is the only answer this government has to the economic problems of this province, then we are in serious trouble.

The Minister of Industry and Trade says he is a friend of small business. His friendship for small business is probably worth as much as his statements about his main role being jobs, jobs, jobs. He has produced jobs, nine jobs since he became minister, nine jobs in Ontario. I suppose the results of his efforts for small business will be the equivalent.

We look at the budgetary policy of this government and we know there is very little being promised to small business that could produce the jobs we need in many areas of the province.

There is no direct assistance for small business facing high interest rates. The minister touts the fact that he giving a tax holiday, and we will be talking about that bill later today, but he ignores the fact that one has to make a profit in order to pay taxes and the vast majority of small businesses in this province are facing serious difficulties because of the cost of carrying inventory, the cost of capital, and they are not paying taxes. This government has not proposed anything at all.

I might be more willing to accept and to support this bill if I had confidence that this government would use the funds it is raising in a positive, active way to invest in the economy and to produce jobs, but the record speaks for itself. This government still believes the main engine of development and growth in this economy is foreign investment. It is afraid and unwilling to take an active role itself.

This government still argues that since interest rates are a federal responsibility it does not have any real responsibility to take action to protect people who are suffering from them.

**The Acting Speaker (Mr. Cousens):** I would like the honourable member to tie his remarks into Bill 111.

**Mr. Wildman:** Mr. Speaker, I would accept the raising of funds under Bill 111. I would even accept a higher rate of borrowing if I had the confidence that this government was going to invest that money wisely. I am sure the Speaker would support that as well.

I met last week with a group of farmers in my riding and I did not know what to say to them. A number of the established farmers in the area are doing well, or not doing badly. They are facing high interest rates on their feed and fertilizer purchases and so on, but they are not doing too badly. But the young fellows in the



room were facing the loss of their farms. There is nothing in this budget, nothing this government is doing to assist. They can paint their barns, put up new fences, make the property more attractive so that the buyer, if they can get one, may have to pay a few more dollars. That is the only assistance they get.

Because of the complete failure of this government to respond to the needs of the province to assist the manufacturing sector to become directly involved in investing in that sector, to assist the small business sector, to assist the farming sector, all of which are suffering because of the Liberal high interest rates, it is impossible for me to accept and support the budgetary policy and the borrowing policies of this government, since it does not invest in any way to help the province and stimulate the economy.

**Mr. Haggerty:** Mr. Speaker, I want to address myself to second reading of Bill 111, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund. I question the additional \$2.232 billion that is required to operate Ontario on a good, sound basis. If we look at the past record of this government, we have to go back to 1970, when this government was led by Premier John Robarts, to find the last surplus.

We can look at the mythology that has been used by the Davis government over the years from 1970 to 1981 and see the deficit that has occurred year after year. I have heard my colleague the member for Algoma (Mr. Wildman) blame the high interest rates on the federal Liberals. I suppose some responsibility can be put there, but much of the responsibility lies here with this government because of its deficit spending over the years. If anything is going to cause high interest rates, particularly in this government, it is the heavy expenditure in one of the large crown corporations, the corporate body of Ontario Hydro, borrowing money on the foreign market.

There is a comment in the budget about that. It says, "Borrowing limits: At times, the requirement for financing both public capital investment and counter-cyclical stimulatory measures, in conjunction with Hydro's capital needs, has placed pressure on the market's capacity to absorb new Ontario and Hydro bonds." That is a rather alarming paragraph. I suppose we could look at the record of Ontario Hydro bonds and notes payable in Canadian dollars. This is based upon its 1981 report. The figures are Canadian dollars \$7,522,271,000, United States dollars \$6,185,064,000, West German marks 75,992,000

and Swiss francs 56,724,000. The total borrowing of Ontario Hydro was about \$200 million short of \$14 billion in 1981. The alarming thing about this borrowing of Hydro on the foreign market is the interest rate. In 1981, bonds, notes and other debts ran at about \$1,369,939,000, \$200 million more than in 1981.

It is rather alarming that we have a crown corporation that is permitted by this government to get out of hand. At the time I served on the select committee dealing with the operations of Ontario Hydro we suggested that to it. I am sure that reports from experts across Canada, particularly from Ontario Hydro and other persons interested in economics, have indicated that Ontario Hydro could have got through with a 2.2 percentage growth in energy produced by Ontario Hydro. But they suggested running at 7.5 per cent, that this would meet the requirements here in Ontario for the use of electricity, including those of the consumers. So there was almost a good four percentage point difference.

**4:20 p.m.**

Now we find that this government had committed Ontario Hydro to go ahead and build the Darlington nuclear plant, and the expenditure that is going to be required for it is heavy. Sure, it may create jobs; but it is going to be too costly by the time we have paid the high interest rate, particularly when we borrow money offshore on the basis of the high American interest rates.

My colleague mentioned the Liberal policy of high interest rates. I suppose it would be good to follow the article that was in the *Toronto Star* the other day. One of the reasons we are paying high interest rates is that they are based on those of a country that does perhaps most of the lending of money to all the other countries throughout the world, and that is the United States.

If one has to go and lend money through the World Bank, backed by the United States, to Poland and Argentina, we are talking about billions of dollars. In a sense, if we follow the reports from the United States Congress, this is going to be almost a complete write-off; this money will never be paid back to the United States. So who in the financial world is going to absorb this loss? There is only one way they can perhaps gain some of that lost money back, and that is through high interest rates. We all have to pay for it if we want to help Third World countries and other countries that require loans to finance some of their expanding programs.

I do not think we can blame it all on the federal government or even on this provincial

government, but I do suggest there is a problem in the Treasurer's 1982 budget with the additional deficit of well over \$2.2 billion, which is going to require an enormous amount of financing at high interest rates. I suggest the Treasurer (Mr. F. S. Miller) should have been looking more closely at this so we do not get ourselves into this type of predicament, which may well eventually break this province through the heavy borrowing that has gone on for the last 10 years.

I have to question where some of that money has been spent. In the 1982 budget, the Treasurer raises the matter of the funding for Suncor. In fact, last year they had to borrow \$325 million to provide sufficient funding to help finance the Ontario Energy Corp.

I can recall a few years ago when we had a Treasurer who was concerned about the deficit route the province was taking. He always talked about finally bringing in a balanced budget, and that was former Treasurer Darcy McKeough. When he became Minister of Energy he invested—I forget what it was; it was not very much money—a few million dollars in the tar sands in Alberta, eventually sold it and made a profit of I believe around \$25 million. The money looked good. By making a profit of \$25 million in that investment, though, we are not going to see a profit in Suncor.

This province had an investment in the tar sands at one time with two or three other companies in Alberta, and I suggest this is just kind of window dressing now. I suppose if the Treasurer had really wanted to do something he would have invested in the much-discussed Arctic pipeline bringing all of that natural gas down to Ontario. Perhaps we could reduce the requirement for electricity, which has become more expensive than the price of natural gas should be in Ontario.

I suggest this province has got itself into serious financial difficulties that are going to cause real hardship for a number of industries in the province. If the government has to tap the money supply to run its business, there is very little of it left for free enterprise or for capital investment through the corporations that want to expand their industries.

This government is the one that has got us into this mess. The Treasurer talks about the new jobs it is going to create, and I have heard it for the last four or five years. All of these are temporary jobs for two or three months and then they peter out. We still do not have a program here which is going to create the

long-term employment we are looking for. My colleague from St. Catharines read into the record some of the problems local municipalities will be facing today with the increase in the sales tax on certain items that were not taxable before.

I have a letter here addressed to the Treasurer from the city of Port Colborne.

"Attached hereto is a copy of the resolution of the Port Colborne council respecting the imposition of the sales tax on materials purchased by the municipality as provided for in the 1982 Ontario budget. Your consideration of the comments that our council has outlined in the said resolution would be appreciated."

The resolution reads: "Whereas the present state of the economy has forced citizens, private companies and governments to be very selective in their respective expenditures; and whereas the city of Port Colborne is faced with inflation which has a direct effect on the cost of providing essential service; and whereas the council of the city of Port Colborne has just adopted a bare-bones budget for city purposes which will mean a reduction of the level of services to the citizens; and whereas the 1982 operating budget adopted by council on May 10, 1982, does not provide for the payment of the seven per cent sales tax on materials purchased by the municipality; and whereas the payment of this sales tax may mean further reduction in essential services; therefore, the council of the city of Port Colborne respectfully requests the Honourable Frank Miller, Treasurer of Ontario, the Minister of Economics, to reconsider the imposition of the sales tax on materials purchased by municipalities."

A copy was sent to me. This will have some repercussions on the administration and the cost of hospitals and school boards. I believe I received a similar letter from the Niagara South Board of Education objecting strongly to the proposed sales tax on school supplies such as textbooks and other goods that are required to operate a school system.

I have a letter here from the Minister of Municipal Affairs and Housing (Mr. Bennett) and there is a paragraph in the letter that puzzles me. He is informing the public: "It is with great pleasure that I am sending you information concerning the new 1982 Ontario employment incentive program announced in the provincial budget on May 13. The program is intended to assist local governments to create jobs in this period of high unemployment and to accelerate the undertaking of repairs and renovations to



public property. A total of \$35 million is being made available and is expected to create 7,500 jobs between now and the end of the year."

The resolution from the the council of the city of Port Colborne indicated that as long as the sales tax is going to be applied to building materials that were required to operate a municipality that is going to put further restrictions on the municipality. They are not going to go ahead with some programs to improve city services. If the city is renovating some municipal building or putting up a new workshed or something like that, we have a minister going the other way around who says, "Well, go ahead and we will give you additional funding to create the additional jobs." What they are doing is taxing the municipality with this additional tax on materials and goods that they are going to purchase this year, and then they are going to give it back to them in a piecemeal effort.

There is no need for this type of financial arrangement. There is no need for the Treasurer to go out and increase the sales tax on items that were exempted before. This measure of taxing them and then turning around and giving it back to them does not make much sense here. I think they should withdraw this particular section of the sales tax and restore the previous situation, where the municipalities were exempted when purchasing materials.

All they are doing is taking it from one hand and giving it back to the other, and the cost of the paper work alone will be expensive. I was looking at the Minister of Revenue's list of additional staff required to police this sales tax, to obtain the additional \$200 million that is required by this government to operate. I suggest that both of them should withdraw this proposed increase in sales tax on certain exempted items.

**4:30 p.m.**

The half-baked measures the government has put forward to create jobs with this deficit spending of \$2.2 billion are not necessary at this time. We have never seen any definite industrial strategy program to provide an opportunity for the many unemployed in Ontario to have long-term employment. This business of operating for six weeks at a time or something like that is not what a person is looking for.

The government could have moved into the area of subsidizing home owners. It has a program to provide some assistance through grants for first-time home buyers. That is the one where a home buyer is given a \$5,000 interest-free grant for a period of 10 years. I do

not think the government is going to get many buyers in that area unless they have incomes of about \$50,000 or \$60,000 to be able to pay the high interest rates. I think that program is going to be a complete failure. It may encourage some persons to get into the program by purchasing a home, but then they will find three or four years down the road that they cannot afford to pay for it as long as interest rates remain high.

Much of the problem with high interest rates in Canada is caused by offshore government borrowing. If the members look at the statistics that are available to us all, they will find that every province is permitted to borrow money offshore, particularly in the United States. In view of the present high interest rates, I believe all governments should not be looking at offshore borrowing at this time. The governments should be sticking more to the Canadian market. I am sure that through government programs, if they want to work it out, they can work it out so that money is available to them.

We are facing difficult economic times. I can recall in the Second World War they had economic difficulties while fighting the war. It was not a question of everybody hammering the governments at all levels; there were problems that had to be resolved. The knowledgeable persons got together and governments followed their directions.

At a time when we have an economic war in Canada and throughout the world, it is going to take some people with good heads who will have to sit down and forget the political side of things. They are going to have to tackle the problems facing us so we can go ahead and look for reasonable and affordable interest rates that all of us can live with. Money is going to have to be put back into the economy to create jobs.

The opportunities are there but it is going to take some initiative at all levels of government. All 10 provinces are going to have to work together to resolve the problems. The continuing bickering between one level and the other is not going to resolve the problem; it is going to compound it further. One can see it by some of the comments made here this afternoon. I am not here to defend Mr. Trudeau and his policies, because I think he and the governor of the Bank of Canada have been wrong.

**Mr. Samis:** Mr. Speaker, I want to speak briefly on this bill, especially in view of my location on the political spectrum as a right-wing New Democrat. I am not especially unaware of the consequences of deficits; they are a fact of life. I do not see them as particularly lauda-

tory or as something worth shame or criticism. It depends on the actual situation. In some situations borrowing does not make sense; in other situations it obviously does.

I find it a little amusing that the Treasurer wants to borrow more money, and yet he is the same person who has gone around this province talking about his great aim of balancing the budget in that infamous year of 1984. My understanding is that since he has assumed that portfolio, he has never come close to balancing it. This year I think we have the largest deficit in the history of the province, from a Treasurer who said his great political goal in that portfolio was to produce a balanced budget for the province and to usher in Valhalla.

As a New Democrat, I find it amusing. If one compares the fiscal record of the past 10 years of the governments of Saskatchewan and Ontario, the NDP government in Saskatchewan, I believe, has produced five balanced budgets without having to resort to borrowing, whereas the Progressive Conservative government has not produced one balanced budget in the past 10 years. Here we are today faced with a bill requesting authorization to borrow yet more money.

I notice a certain parallel between this Treasurer and this bill and the situation south of the border. They have a President who goes around saying his great aim in life is to balance the budget, and yet he produced a record deficit, which is exactly the same situation we have in this Legislature with the Treasurer of this province: a record deficit from someone who promised a balanced budget.

If the purpose of the borrowing is to pay for a fiasco such as the Suncor adventure, obviously that is a waste of money. The people of Ontario agree that the Suncor adventure was a waste of money, a bad investment, and was not worthy of the government, the province or the people and something they would never have done if they had been given the authority to make that decision.

On the other hand, if the purpose of borrowing is to invest in a major housing program—not one confined to gimmicky \$5,000 grants but one that would apply also to tenants in this province and get the housing industry on the move—then the borrowing does make sense, because that is a good long-term investment.

If the purpose of the borrowing is to pay for the jet, the advertisements or things of that nature, or to give more handouts to the private sector, I am opposed to that. If the purpose of

the borrowing is to provide some form of interest relief for small businessmen who are being decimated by the high interest rates, or for home owners, obviously that will make a good investment for this province.

I find it strange that while a Conservative government in Saskatchewan thinks it is a good idea to invest in assisting people to retain their houses by reducing the mortgage interest rates to as low as 13.5 per cent, the Conservative government of this province does not think it is a worthwhile investment.

It is interesting that other provincial governments, whether they be Parti Québécois, New Democratic or Conservative, think it is a worthwhile investment to provide interest relief for small businesses so they can survive and cope with the crisis they are in. Somehow this government, apart from one budgetary measure contained in another piece of legislation, does not provide for direct interest relief to small businesses, whether they are incorporated or unincorporated.

The issue really is not the deficit. The issue is what is being done with the money that is being borrowed. Where are we putting it? Where are we investing it? We are wasting money if we are going to invest it in a sort of Board of Industrial Leadership and Development program—which is an election gimmick of grants and, in some cases, outright bribes—and get no equity in the companies we are giving the money to.

We are wasting money if there is no absolutely clear-cut industrial strategy upon which the grants are being based, and the BILD program is the perfect example of that. We are wasting money if there is no emphasis on Canadian content or priority in assisting Canadian companies with Canadian resources and Canadian development to try to keep jobs, research, development, technology, etc. here in Ontario. If we are not doing those things, then we are wasting money and this bill does not deserve support.

The whole thing is compounded, as one of my colleagues mentioned briefly, by the mushrooming cloud of bankruptcy, or whatever it is, produced by the Darlington development. The government tried to sell the people of Ontario on the idea that this, as a maximum, would be a \$5-billion investment for the province. Leaving aside the question of energy forecasts and the question of nuclear versus non-nuclear, the simple fact of life is that now, at a time of record interest costs, we are talking in terms of a



\$10-billion investment for power we do not need.

Here we are, at a time of record interest rates, investing money on something we do not need and where the costs have more than doubled to 250 per cent above the original projections. Borrowing for programs like that, whether for Hydro, Suncor or some of the other investments of this government, I suggest does not make sense. On that basis, I will not support this bill.

**Hon. F. S. Miller:** Mr. Speaker, I shall be very brief. I want to comment on only a couple of the matters my friend the member for Windsor-Riverside (Mr. Cooke) talked about.

He mentioned visiting chambers of commerce around Ontario and hearing that no one believed the corporate income tax forgiveness for small businesses was of any use to business: "Why should people invest in Canada? What would any businessman in his right mind be doing with that money? He would not be investing in his business."

I simply say that I do not accept that as being true. I recognize that there are many problems in society. I recognize that many businessmen do not have any corporate income tax to pay because business is tough. I recognize that many of them are trying to hang on and that the last thing they are worried about now is paying corporate income tax. If one is trying to survive, tax is not normally the major problem.

**4:40 p.m.**

I buy all that, and I recognize that the actions I took did not help the person who is in a survival stance this year. I accept that. What I have to differ on is the belief that it is true of the great percentage of people in business. Many businessmen are not making the profits they would like to make, but they are still making taxable profits. Many businessmen are also confident enough in their own futures and that of this country, particularly in judging their own businesses and their growth, even in these bad times, to feel that reinvestment in the businesses they know will be productive. If we do not have that belief and that action by business people in this country, we are foreordained to the very troubles we talk about.

There is not much else they can do with that \$250 million but use it in their businesses or pay tax. The alternative is that if they withdraw it, then they owe tax. If they withdraw it as a dividend or as salary, one form of taxation or another will come into force and we will get our share of that money. That is why I did not see

myself as being generous in giving away a gift at monumental cost, because I hoped it would be a productive effort.

The member mentioned that I said some 10,000 jobs might be created. I have to admit that was a guess. I am asked for these figures at budget time or whenever a program like the Board of Industrial Leadership and Development comes out. It is interesting that my approximation of jobs created was only one fifth that given by the Canadian Federation of Independent Business when it was asked the same thing.

The other things I would like to refer to are two or three speakers' comments, mostly on the NDP side. They referred to our debt and the apparent mismanagement of the province. Every budget, particularly in its papers at the back, contains a wealth of information many of us never have the time to look at.

I would point out that chart C3 in budget paper C, page 32, shows "Months of Revenue Required to Repay Provincial Funded Debt, 1978-79 to 1982-83." I wish I could extend it backwards to the 1950s. It shows that consistently across those years, with the exception of this current year, we have reduced the number of months of revenue required to repay the provincial debt until it is now less than a year. Back in 1956 or 1957, it was some 21 months.

I also want to draw the attention of my friends to table C4, because a great deal has been said about the stress put on us by the federal government's reduction in established programs financing for health and post-secondary education. It has been alleged we really did not get a reduction in transfers.

The first line of table C4 shows that in 1981-82 we estimated we would get \$2,044,000,000 in cash transfers from the federal government and only \$1,979,000,000 in cash transfers in 1982-83. I am told that since that was printed the figure probably has been reduced by some \$200 million because of an error made by the feds in previous years.

That is fair enough. I am not calling foul. I am just pointing out that, contrary to what many reporters and others claim, the reduction in cash transfers in nominal dollars was real, not imaginary. It was not just a reduction in the amounts expected, but in fact with an increase in dollars. It was a reduction in total dollars transferred, and we know those dollars are buying about 11 per cent less than they did the year before.

I also point out to my colleagues that on page 10 of budget paper C, "Public Investment and

Responsible Financial Management," table 4 shows the total spending, the capital investment and the net borrowing of the province.

One thing I want to look at which is not in the table is the percentage of total borrowing as a percentage of total spending. This shows we borrowed approximately 14 per cent of spending in 1972-73, nine per cent in 1973-74, nine per cent in 1974-75, 18 per cent in 1975-76, eight per cent in 1976-77—

**Mr. T. P. Reid:** But your interest payback in real dollars has increased.

**Hon. F. S. Miller:** Just a second now—11 per cent in 1977-78, about 12 per cent in 1978-79, seven per cent in 1979-80, six per cent in 1980-81, seven per cent in 1981-82 and just under 10 per cent this year. I put the percentages in because, in a world where 1975 dollars bear no quantum relationship to 1982-83 dollars, we have to go to percentages to gain a realistic approximation. I think it is only fair to have us look at it.

**Mr. Nixon:** Which page are you on?

**Hon. F. S. Miller:** I am on page 10 of budget paper C, table 4. It is at the end of the papers, the last paper in the book.

**Mr. T. P. Reid:** Nine cents of the provincial tax dollar is going to service the debt, and the year before it was seven.

**Hon. F. S. Miller:** I am not arguing that either. I am simply pointing out that the country of Japan is running a 40 per cent ratio for its borrowing relationship. I am not saying that is good or bad.

**Mr. Wildman:** That was exactly the point our leader raised when we made our budgetary suggestions.

**Hon. F. S. Miller:** Okay. But the members opposite should not criticize me for overspending, or whatever I am doing, if they are going to say I should have a bigger deficit.

Let us look at the relationship of borrowing to investments. If members look down these years, they will see in 1972-73 we invested \$1.1 billion and borrowed \$1 billion. In 1973-74, we invested \$1.2 billion and borrowed \$0.7 billion. In 1974-75, we invested \$1.4 billion and borrowed \$0.9 billion. In 1975-76, we invested \$1.60 billion and borrowed \$1.97 billion; that is one of the years where we actually borrowed to run the province. In 1976-77, we invested \$1.48 billion and borrowed \$1.09 billion. In 1977-78, we invested \$1.5 billion and borrowed \$1.5 billion—slightly less but still very close. In 1978-79, we invested

\$1.3 billion and borrowed \$1.7 billion; that is another year—

**Mr. T. P. Reid:** And who became Treasurer that year?

**Hon. F. S. Miller:** I became Treasurer that year.

**Mr. T. P. Reid:** That's when you started to borrow for current costs.

**Hon. F. S. Miller:** I was not the Treasurer who wrote the budget that year. That was not my budget.

**Mr. Wildman:** So it's all Darcy's fault.

**Hon. F. S. Miller:** In each of the years I have been Treasurer, for the information of members, the investments—and they show in the balance of the table—have exceeded the borrowings. Most companies in this world that are able to pay not only for all their costs of operation but also for part of their capital investment would say they have made a fairly substantial balance sheet. Municipalities, which by law cannot have deficits, are allowed to borrow for capital works; they are able to debenture. So I suggest to some members opposite that the gloom and doom they have tried to portray, when they say simply that the borrowing exceeds the capacity of the province, that the borrowing is for current account, is not correct.

**Mr. Nixon:** What about the ratios? You changed the ratios.

**Mr. T. P. Reid:** You keep changing the way you do your accounting.

**Mr. Nixon:** Gross provincial product; that's the one you used to use.

**Hon. F. S. Miller:** Mr. Speaker, I have been extremely quiet in my chair all this time and I would appreciate that in return.

**Mr. Nixon:** It would never go over nine per cent.

**Mr. T. P. Reid:** Remember what I said about smoke and mirrors.

**Hon. F. S. Miller:** How would members opposite explain the Liberal policy of a 23 per cent cost of their deficit? Look at the feds. I have trouble with Liberals who say: "We are not Liberals like they are somewhere else. We are Liberals who would be financially responsible." I have trouble—

**Hon. Mr. Elgie:** A Liberal is a Liberal is a Liberal.

**Mr. Nixon:** We are talking about Ontario. If



those birds are in trouble, that is their fault; it is not your fault. But you changed the ratios.

**Hon. F. S. Miller:** I want to touch on one final point, Mr. Speaker, and then I am through. My colleague the member for Algoma asked what I did for Sault Ste. Marie. I strongly recommend that he go and talk to some people in the steel company; be they his friends or enemies, I do not know. If there was any industry I singled out in my budget for what I believe was an important change, it was the steel industry: first, in the treatment of its resource depletion allowances so that it would make it profitable to keep those mines he talked about functioning, because the feds' tax ruling made them unprofitable—I hope he agrees with me on that—and, second, in the change in the capital cost allowance, to flow the cash to allow the company to put the investment in that plant to keep it modern, up to date and one of the world's most efficient steel mills.

I do not know any other way of securing the jobs of the people he talked about who are temporarily out of work because of plant shut-downs caused by underdemand, but I assure members that our steel companies in Canada have been a model for other Canadian industries in keeping up with technology and keeping the investment level to the point where it assures jobs.

**4:50 p.m.**

I did not win a vote with the \$135 million we put out by not paralleling the federal moves. It was not a political decision at all; it was an economic decision recognizing that it was not going to win me a vote and that I would take a lot of flak for the things that did raise revenue. I suggest that in a year when it would have been easy for me to avoid a lot of political flak I could have taken the easy route, which in the long run would have destroyed jobs. I did not. I took the route that I believed in the long run was right, even though in the short run it was politically uncomfortable.

The triple-A rating of Ontario remains the best measure of the financial propriety with which this province is managed. I hope this bill will receive second reading.

**The Deputy Speaker:** All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Vote stacked.

## PROVINCIAL LAND TAX AMENDMENT ACT

Hon. Mr. Ashe moved second reading of Bill

113, An Act to amend the Provincial Land Tax Act.

**Hon. Mr. Ashe:** Mr. Speaker, this bill to amend the Provincial Land Tax Act will implement the proposals in the Treasurer's budget of May 13, 1982, as well as other administrative amendments. This act deals with the assessment and taxation only of property located in unorganized areas.

The existing rates of assessment on pipelines, which are generally one quarter to one fifth of the rates established under the Assessment Act, will increase effective January 1, 1983. The current schedule of rates for pipeline assessment will be replaced by one schedule for gas pipelines and one for oil pipelines, both corresponding to the schedules used for municipal taxation as set out in the Assessment Act. The new schedule for gas pipelines will be slightly higher than the rates of assessment provided for oil pipelines.

At this point I wish to advise the members that I shall be referring this bill to committee of the whole House to propose several amendments which are for the most part designed to more closely parallel property tax assessment under the Assessment Act.

First, in certain areas of the province gas pipelines are being installed using pipe of 42-inch diameter. I am therefore proposing an amendment to subsection 6(1) of the bill to include that size of pipe. That apparently is a new size of pipe that was not in use before.

Second, I am also proposing amendments to subsection 6(2) of the bill. One amendment will provide for depreciation in the assessment of pipelines in unorganized areas at the same rate as that used in organized areas. In addition to the review of rates already contained in the bill, the second amendment to this subsection will allow me to conduct a triennial review of the year up to which depreciation will be allowed. The third amendment to this subsection will allow a reduced rate for a second or any subsequent pipeline where two or more pipelines occupy the same right of way.

Last, an amendment to subsection 19(1) of the bill will provide the authority to make the necessary regulations to support the amendments I have just described.

Returning to the content of the bill before us, the assessment and taxation of telegraph and telephone lines and equipment will be discontinued effective January 1, 1983, and telegraph and telephone companies will have to pay a new

annual tax equal to five per cent of the total gross receipts with respect to the business carried on in a territory without municipal organization.

In addition, the bill contains a number of administrative amendments designed to parallel provisions contained in the Assessment Act and the Municipal Act. The bill clarifies that the provincial land tax is to be payable by the owner of the land and not by the tenant, that tenants or occupants of crown land are no longer deemed to be owners and are liable to pay the tax as tenants, and that the notices of assessment are to be sent to both the owner and the tenant of the land.

The bill increases the penalty payable on unpaid taxes to 10 per cent from five per cent, the minimum being \$6, and provides that the rate of interest payable on overdue accounts will be regulated, together with the rate of interest payable under the revenue statutes effective April 1, 1983, when the present six per cent rate will be increased to the standard rate being regulated at that time. I might say that is the standard rate that applies to all tax sources.

As a matter of simplification, the bill removes the obligation of the owner to notify the tax collector of improvements to the property or change of ownership, recognizing that the maintenance of the tax roll is the obligation of the ministry rather than of the taxpayer. The bill provides for collection remedies such as garnishment proceedings and warrants of execution for unpaid taxes.

**Mr. T. P. Reid:** Mr. Speaker, we will be supporting this bill. We find some of the provisions very interesting and we do not quarrel with the fact that the assessment rate should be the same in terms of the organized areas as the unorganized, because that money is going to go into the provincial coffers.

I mentioned earlier in the day that we had expected we would have a compendium of information provided along with these bills. The answer I received was that the government considers the budget itself is a compendium. I put to you, Mr. Speaker, that this is not the case. If you look at page 31 of the budget, you will find some of the matters dealing with this bill are outlined in three short paragraphs. There is the amount of dollars we are talking about. We are perhaps not quite as concerned about the administrative changes as we are about the details of the bill, but I suggest most strongly we should be provided with an indication of the impact of these bills.

I have some figures before me that indicate what has happened is that between 1980 and 1981 the amount received by the Ontario Treasury in regard to these taxes was roughly \$2.2 million. With this change in 1983 that is going to double to \$4.4 million. In the space of two years, the amount the Treasury realizes will double. These are figures we tried to work up from the information we have. One presumes these corporations, which in most cases are monopolies, such as gas companies or telephone companies, are presumably going to increase rates to pay for this new, higher level of taxation. It seems to me we should know what the implications of these bills are going to be.

We are also concerned about the fact there are a number of amendments so soon after the bill has been introduced. We understand the one in regard to the size of the pipe; obviously, we have no problems with that.

We really feel more information should be provided in a bill such as this, but we have no serious objections to it. There are some points we will probably make in committee; for instance, about the size of the penalties imposed if the taxes are not paid by the land owners or the putative land owners. We are not trying to be overly punitive but, when interest rates are around 20 per cent, a penalty of 10 per cent still gives a 10 per cent cushion to those who have not paid and is not much incentive to pay the tax.

I believe it has come up in public accounts committee that in these various government requirements for revenue bills, whatever they be, or on outstanding loans, the interest rate charged as a penalty for late payment or for not paying should be somewhere around the current market rate to provide an incentive, shall we say—or perhaps a disincentive if one likes—but certainly an incentive to pay these taxes.

**5 p.m.**

As I have said, the Liberal Party will vote for the principle of this bill but we do wish we could be provided with a little more information on the effects of it.

**Mr. Breagh:** Mr. Speaker, we will oppose this bill. Perhaps it requires a bit more explanation than the normal process that we, in general, oppose the budgetary policies of the government. A little more specifically then, we will oppose the bills that implement the policies of the government.

I want to say as well that it is often very difficult. There are rules in this House which



were designed to provide to all members, and particularly to opposition critics, the kinds of reasons for governments proposing legislation, the ramifications of that and the background information leading up to legislative changes.

As the previous speaker pointed out, I suppose one could say the government is living up to the letter of the standing orders by providing us with pieces of paper, that is to say, a compendium of sorts. It is also true to say that the spirit of that standing order which says, "Give to the opposition critics the information upon which government decided to make legislative changes and show to the opposition critics the ramifications of the legislation; share with members of this House the reason for alterations to existing legislation or new laws that are proposed," is not here.

One has to be a believer in the government and in the budget to truly accept a piece of legislation like this. On the surface of it, one looks at a piece of legislation which appears simply to take current policies and provide a little more fairness. As we will see later on in some of the amendments, it is legislation designed to deal with a new size of pipe. Quite frankly, I do not believe that. I believe this is a source of revenue for the government. It is part of a general taxation policy which I do not support and which this party does not support.

Whatever merit might be found in this particular bill, and I would go so far to say there is some merit in the bill and some fairness involved in it and it does not seem to be a dramatic change, one must recognize that as the minister said in his opening remarks, there will be additional revenues gained here. It is not an insignificant amount of money that is being generated. It is virtually a doubling of the income to the province over the current situation. I think there are reasonable grounds for an opposition party like ours to oppose this bill.

If the government wants to have us well informed, if it wants to provide to opposition critics a compendium which shares with us all of their background information, then perhaps we will one day look at pieces of legislation such as this one and come to the same conclusions the government does. But it is not possible for us to do that so long as the government continues to provide us with pieces of paper which really do not tell us why a government is making legislative changes.

It is not our intention to speak at great length on this particular bill, but it is our intention to vote against it. If the government wants to get a

slightly more balanced view of legislation on all sides of the House, then I would beg the government to do what the standing order calls for them to do, not just in name only but in the spirit of it. That is, to put together compendiums that do reflect how much money is involved and what problems the government has come across; to say what they are attempting to do with a given piece of legislation; to do all of those things in addition to providing us with, in this instance, really not a great deal more than what is printed in the bill itself.

**Mr. Riddell:** Mr. Speaker, I am cognizant of the fact that you are knowledgeable about these revenue bills that we are at present debating and am wondering if you would consider it in order for me to make some comments on the tax that is charged on land as it is transferred from owner to owner. Would that be in order?

**Hon. Mr. Ashe:** It really is not relevant at all.

**Mr. Riddell:** The Minister of Revenue says it is not relevant. I was going to try to draw the minister's attention to the millions of dollars that we are losing in this province in the land transfer tax. Since I am not allowed to speak on it now, maybe I will do it at another time.

**The Acting Speaker (Mr. Cousens):** I am sure the honourable minister will be most interested if it is a way of raising money.

**Mr. Ruston:** He always is.

**The Acting Speaker:** The next speaker is the member for Lake Nipigon.

**Mr. Stokes:** This is the kind of bill, Mr. Speaker, that has far-ranging repercussions on people who live in unorganized territories, particularly in northern Ontario. I would like to echo the sentiments expressed by the member for Rainy River (Mr. T. P. Reid) and the member for Oshawa (Mr. Breagh), inasmuch as in the overall scheme of things there really is a dramatic increase in revenue as a result of amendments to the Provincial Land Tax Act.

I really do not know how that comes about. It was mentioned by the two members who spoke before me that the amendments are fairly specific with regard to the method of taxing pipelines and telephone and telegraph companies but is silent on whether or not this bill is a vehicle for changing the way in which provincial land tax is levied on those owners or tenants who happen to be occupying crown lands in unorganized municipalities.

The minister shakes his head in the negative to say that it has no effect on the assessment of anybody who happens to be a small entrepre-

neur who is conducting a business occupying land in unorganized territory, whether or not it is somebody who has a residence that occupies land in unorganized territory, or who happens to have a land-use permit in unorganized territory, or who happens to have a licence of occupation in unorganized territory.

If one reads the explanatory notes for this bill one would say that an owner or a taxpayer can also be just an ordinary tenant. They may not have security of tenure on this land in unorganized communities but they will be sent a notice of assessment in the same way as the owner. In many instances the owner is the crown and the taxpayer is a tenant by virtue of the fact that he may have a lease by way of a land-use permit or a licence of occupation.

That causes me problems, because there are a lot of people who live in unorganized territories who by the very nature of the land they occupy, whether it be by way of a parcel of land that was alienated from the crown or by way of patented mining claims, where in some instances they have the mining rights, in other instances they only have the surface rights, and in still other instances they have rights to everything except the pine trees growing on those lands because they were reserved for the British navy back in the 1800s.

**5:10 p.m.**

The minister smiles. I am sure he knows what I am talking about because, if he has land occupied by constituents of his without the benefit of municipal organization, he knows all the problems of tenure involved in deciding who the owner or tenant is for assessment purposes. I am sure this minister does not care a darn. What he will do is say, "This is the amount of money we want by way of this statute, the Provincial Land Tax Act." He does not much care whether he finds the owner or the tenant; as long as he has someone come up with the number of dollars he expects to get under this statute, it is fine and dandy.

It is mentioned in this bill that the owner or tenant no longer has the responsibility of reminding the minister he purchased the land, leases the land or now rents the land. I take it that is going to be the responsibility of the collector. It does not say definitely in this bill who the collector is. I know who the Treasurer is, I know who the minister is; I do not who the collector is. For purposes of enforcement of this bill, I suspect it will be the minister himself or somebody who is designated to perform that function.

It bothers me that, while the Minister of Revenue is now responsible for administering and collecting the provincial land tax, he is not really concerned about tenure or whether a person is the owner or just the tenant. That is still the responsibility of some other ministry, presumably the Ministry of Natural Resources, which had the responsibility in the past of collecting this tax.

It says in the explanatory notes: "The amendment to repeal the definition of 'owner' contained in clause 1(h) of the act is consequential on later amendments contained in the bill which are made to parallel provisions contained in the Assessment Act, whereby both an owner and tenant of land receive notice of assessment but, only the owner receives a bill for tax. The definition of 'owner' is replaced with a definition of 'tenant' by subsection 1(3) of the bill."

We know what the previous definition of owner was. That raised all kinds of problems. Having regard for the collection of funds under other statutes, I think of the Provincial Land Tax Act and the Crown Timber Act, that is administered by somebody else. We know about when somebody holds a licence in a territory without any municipal organization. We have literally tens of thousands of square miles where there is a levy, a land tax, placed on prime licence holders, such as Great Lakes Paper, Kimberly-Clark, Domtar and Abitibi-Price. They are taxed in a much different way.

I am wondering why there is not a clarification of all these things when we are talking about something as important as this, even if it is by way of allowing us, who represent northern ridings, to know where the \$2.2 million is coming from now as opposed to the approximately \$4.4 million that it is hoped to recover by the additional levies contained in this bill.

It is very difficult. My colleague says we are going to oppose this bill because, in general, we are opposed to the budgetary policy of this government. I know there are things contained in the budget that have necessitated amendments to this act as a means of collecting more revenue. On the surface, I personally would have to say that TransCanada PipeLines, which runs a natural gas pipeline through my riding, is a great means of collecting revenue, not by way of provincial land tax—this government gets that—but in terms of the economic benefits that accrue to groups of people in unorganized territories. It helps to sustain the local roads board in those small communities, it helps to sustain small schools in unorganized territories.



By way of an example, I want to refer to a small hamlet of about 200 people along Highway 11, between Nipigon and Geraldton. I was just talking to the secretary-treasurer of the local roads board—

**Mr. Nixon:** What's the name?

**Mr. Stokes:** Jellicoe; it is where they have the albino moose. The member saw that when he was there, did he not?

**Mr. Nixon:** Yes.

**Mr. Stokes:** By way of explanation and by way of illustrating my concerns about the lack of information, there is the fact that TransCanada PipeLines, according to this bill, is not going to be charged at the same rate for the twinning of its line, which it completed during the past winter, as long as it shares the existing right of way.

I ask the minister what effect this is going to have on those small communities that are able to collect revenue from TransCanada PipeLines and Bell Canada for the purpose of maintaining their little road structures under the Local Roads Board Act.

For every dollar that they generate locally by assessing themselves, they get two from the provincial government. For purposes of illustration, if they decided they needed \$3,000 to maintain their little road structure in the hamlet of Jellicoe, they would have to raise only \$1,000 by levying taxes on themselves, including small business, residential people there, TransCanada PipeLines and Bell Canada. If they were able to generate this \$1,000, they would be able to get \$2 for every \$1, from the Ministry of Transportation and Communications.

**5:20 p.m.**

So while I do not want to oppose this bill on the surface, I really do not have enough information on which to make a reasonable judgement as to whether or not this is good, bad or indifferent. The assessment rolls are going to go to the board of education in Geraldton, which will say, "On the basis of this new assessment, the board of education is going to assess TransCanada PipeLines a certain amount of money for educational purposes."

I happen to know that the formula which is used right now is fairly good. When they wanted to close the little school in Jellicoe because it had an enrolment of only 26, we were able to prove to the board of education that operates the little school in Jellicoe that the amount of revenue that is collected and accrues to the Geraldton Board of Education as a result of

TransCanada PipeLines having transmission lines through those two townships is more than it actually costs to operate the school.

If we had not been able to do that, the board of education would have had a very convincing argument for closing the school. But, aided and abetted by concerned parents in that little hamlet, I was able to prove that they collected more from TransCanada PipeLines and other taxpayers in this unorganized hamlet, so we persuaded them they should keep the school open.

I do not know what effect this is going to have. The minister, in his opening remarks, said they are going to make the assessment formula based on the inside diameter of the pipe which is used to carry the natural gas through these unorganized hamlets. He also said that the bill is going to have to be sent to committee, because he was not aware of the fact that they are now using 42-inch pipe as opposed to 38-inch pipe, which is the largest diameter that is contained in this schedule for oil transmission lines. These happen to be gas transmission lines with the same maximum diameter of 38 inches, at \$26.70 per linear foot. But any twinning—and we have got twinning there; I think there are some areas where there is a tripling of the line to increase the capacity—is going to be at a much lower rate than the actual or the original line itself.

So it is very difficult for me to be able to say to the people of Jellicoe and all of the small, unorganized hamlets what the effect of this bill will be. I am sure the minister cannot tell me, and I can readily appreciate why he cannot tell me. But that is why it is so important for me, as the elected member for Lake Nipigon, to be able to come into this House and say something about this bill, whether it is good, whether it is bad or whether it is indifferent; and I cannot do that, because I do not have the information that is required to make this kind of judgement.

I wonder what effect section 7 of this bill that amends the act is going to have. The minister is changing the formula as it applies for provincial land tax purposes in areas without any municipal organization, that is in unorganized territory. They are not going to do it on the basis of the existing formula. They are going to do it on a new annual tax of an amount equal to five per cent of the total gross receipts of telephone and telegraph companies, resulting from business carried on in a territory without municipal organization.

There again, I cannot tell. If they are going to do it on the basis of moneys that are generated,

say in the little town of Jellicoe that accrue to Bell Canada, they could say, "It was \$1.49 today." I do not know if they are going to do it on the basis of what it costs for maybe half a dozen people to be on a party line or something of this nature.

I just called Jellicoe. I had to get in touch with the operator and I wanted to talk to Mrs. Neil Arthur, who is the secretary-treasurer of the local roads board so I could remind myself about how they organize themselves and finance things. I had to get the operator. Her number is 54 in Jellicoe.

I am wondering what effect this amendment to the provincial land tax will have on the assessment. Whether it is the board of education in Geraldton or the little local roads boards in Jellicoe that will be using their assessment roll, what kind of effect is that going to have on their ability to generate revenue for very legitimate reasons? They do not have the right to tax the storekeeper or the gas pump operator or the tourist operator. They have only the education and the local roads board tax.

On the surface of it, if it is something that will increase the revenue for the province for something that seems to be quite legitimate, and if it will not have an undue impact upon the residents of Jellicoe, the Geraldton Board of Education and the little local roads board, I would be inclined to support this bill, but I cannot make that judgement simply because I do not have enough information. Perhaps the minister will be able to tell me all about it.

There is only one other thing that really bothers me about this act. It has something to do with a right of appeal. In section 3, it says, "The amendment provides that notices of assessment are to be sent to both the owner and the tenant of land as is provided for in the Assessment Act."

It says, "The collector may at any time assess or amend the assessment of any land liable to assessment and taxation under this act and shall forthwith notify the owner of the land of the assessment or the amendment."

If that is done, I want to be assured that the owner, who may be a residential owner or a small commercial operator—or, for that matter, in the interests of fairness and justice, TransCanada PipeLines or Bell Canada—will have the same right of appeal as it pertains to assessment in unorganized territory as he would have in organized territory. That would satisfy one of my concerns.

There is no reference in there that I could

discern about that right of appeal. It may be in the original act, although this seems to be a new section defining what a collector is. That is the way the old act reads, but there is no reference to it in the explanatory notes. I did not go through the original act, but I want to be assured there is that right of appeal there.

**5:30 p.m.**

**Mr. Nixon:** Mr. Speaker, I hope the minister was listening to the problems put forward by the member for Lake Nipigon about the difficulty in understanding the intent and ramifications of this legislation.

My colleague the member from Fort Frances has already indicated his dissatisfaction with what the government chooses to call the accompanying compendium which is required under the rule. The minister must agree that the explanatory notes of this bill do not explain very much. They are just about as dense as anything we would want to wade through.

Fortunately, I was able to consult an unimpeachable source on the ramifications of the bill. If that unimpeachable source were complete in giving me some indication of its meaning, it does seem strange that the New Democratic Party is constrained to vote against the bill.

Surely the only people who would be in opposition to the bill would be TransCanada PipeLines since it appears the taxes they have been paying on crown lands are only about a fifth of what they pay in organized territory. It does not seem proper that they should be allowed to get away practically scot-free. The indications are that they were paying less than \$500,000 in taxes on their enormous gas pipeline, and that amount will be raised to about \$2 million if this bill goes through.

I have a lot of sympathy for the member for Lake Nipigon, whose main interest, and very properly so, is seeing that these small communities are going to get their fair share of the revenue from the fantastic amount of energy that goes swooshing through these pipelines to feed the industry of the areas down east, meaning us.

**Mr. Stokes:** And cutting huge swaths through the bush to accommodate them.

**Mr. Nixon:** Yes, right. I hope the minister can give us that assurance.

My main criticism directed to the minister has already been put forward by the member for Rainy River. We should have a compendium that explains in understandable terms just what



the ramifications of the bill actually are. The source I consulted indicated there is going to be a tremendous change in the methods of land taxation in unorganized territories and that many of the users of those lands, the pipelines and so on, will have to face the kind of up-to-date taxation that we have been calling for when we have insisted that government revenues in this connection have been inadequate.

I am very glad the member for Rainy River has indicated we will support the bill, but I can understand the problem faced by all members, including northern members in support of the Conservative Party, in understanding what the ramifications are. We are supporting the bill, and my colleague has indicated that is so, because I believe we should be getting additional revenues on a land tax basis from the utilization of crown land by TransCanada PipeLines in particular and perhaps from certain other sources.

**Mr. Haggerty:** Mr. Speaker, I want to address myself to Bill 113, An Act to amend the Provincial Land Tax Act. If I can interpret the act, I suppose it parallels existing legislation under the Assessment Act applying to incorporated municipalities and will apply to unorganized municipalities.

I want to support my colleague the member for Lake Nipigon in his concerns about the revenue that will be generated from the government's new land tax policy. I hope the revenues that are generated in unorganized areas of northern Ontario will go back to those unorganized hamlets and that the assistance given to them will provide all the amenities found in southern Ontario. For example, they could support the local school boards and local road boards. I think it is important that this money is returned to the municipality.

I have another reservation that I think has been mentioned by other members. It is the concern about rate scheduling on assessment per foot of length of pipeline. I suppose we are talking about steel pipe. I imagine that is what it is, but the gas companies today are using plastic pipe to install local services from the larger main to the residents requiring the services. There is nothing mentioned about plastic pipe installation here at all.

It only goes to size 38- or 36-inch pipe and I look at the ratio assessment per foot of length, which is from 14 inches to 42. With 36-inch, the increase in the flow in that alone will be an enormous amount of carrying capacity. The volume will be tremendous. Perhaps we should

be looking at the \$4.72 assessment per foot. Perhaps it is not a sufficient rating on an assessment basis. When the minister is reviewing that, he should look at that area. I do not think it is assessed at the level it should be.

The explanatory note on section 6 quotes subsection 10(3), "A pipe installed before 1940 shall be assessed for taxation at the rates set forth in subsection 2 but shall be depreciated up to the year 1940 at the rate of two per cent per annum of assessed value of the pipeline, with a maximum depreciation of 50 per cent." I hesitate to support that particular clause, because any gas pipeline that has been laid down for a period of almost 41 years would not meet the requirements under any safety regulations of the Ontario Energy Board today. If the minister is listening to this, I hope he will realize there is no consideration about the safety of these old lines.

Subsection 10(5) reads, "A pipeline removed from one location and re-installed in another location shall, where depreciation is applicable, continue to be depreciated in accordance with subsection 3 as though remaining in its original location."

Those two clauses, if I am interpreting them correctly, say that old pipeline is going to be removed and installed somewhere else. The pipeline is obsolete and does not meet the safety requirements provided under the Ontario Energy Board. If a new line is going to be installed to replace it, then it should be assessed at the present market value of the pipeline. I suggest those two clauses do not seem to be right.

Subsection 10(3) reads, "Where a pipeline is located on, in, under, along or across a highway or any lands, other than lands held in trust for a band or body of Indians, exempt from taxation under this or any special or general act, the pipeline is nevertheless liable to assessment and taxation in accordance with this section." Where any pipeline goes across an Indian reservation or Indian lands, the Indians should be entitled to the revenue generated through the Assessment Act. It does not say they are going to be reimbursed at all.

Another area of concern is, if I can go back to the budget statement: "Telephone and telegraph companies will pay tax equal to five per cent of gross receipts in areas without municipal organization. The definition of gross receipts will parallel that in the Municipal Act." I think we support that on this side of the House.

5:40 p.m.

The budget also says, "The assessment of telephone and telegraph wire mileage will be discontinued." I cannot understand why the government would want to discontinue mileage on telephones and telegraphs. I am sure the minister is well aware of the policy of Bell Canada in southern Ontario, which is that if one lives in a municipality that is five, six or 10 miles from a telephone exchange system, one pays additional costs for the telephone service by paying mileage. This is an area where Bell Canada is generating additional revenue.

I live in Sherkston and the exchange is about four or five miles away. It costs me quite a bit for the telephone line to my residence. I suggest it is an area where Bell Canada is reaping huge profits, particularly in relation to what might be called rural municipalities. Fort Erie is no longer a rural municipality, it is no longer a township, so I see no reason why there should be this extra tax on local bills for mileage charged by Bell Canada.

If that continues, I suggest the proposed deletion under the amendments to the act, the assessment on telephone and telegraph wire mileage, be continued because they are certainly generating additional revenue beyond the five per cent permitted now under the Assessment Act.

I bring these to the minister's attention. Other members may find it rather difficult to follow the intent of all the proposed amendments under the bill. We support it in principle because it will generate additional revenue that will be passed on to areas of unorganized municipalities, hamlets or whatever they may be in other places in Ontario, particularly northern Ontario.

They are entitled to that revenue and I support the member for Lake Nipigon in his approach to the solution to the bill, that the revenue should flow to those hamlets in northern Ontario.

**Hon. Mr. Ashe:** Mr. Speaker, I will attempt in the next few minutes to answer all the points and question raised by the members.

First, in the 1980-81 fiscal year, which is the last one we have final figures for, the Provincial Land Tax Act raised a grand total of \$2.1 million. That was it. That was from all sources. Let me assure the member for Erie that the government ploughed back into those unorganized territories much in excess of the \$2.1 million. There is no doubt about that at all.

**Mr. Haggerty:** You are generating a lot of revenue from other sources.

**Hon. Mr. Ashe:** I am not sure that is particularly relevant.

Let me clarify where this bill really has relevance at this point. There could be other companies in the future, but this bill has impact upon TransCanada PipeLines, Norcen Energy Resources Ltd., Bell Canada and Northern Telephone Ltd. That is all.

**Mr. Kerrio:** What about hydro lines? Are you going to tax those?

**Hon. Mr. Ashe:** No, those really are the changes.

There is no doubt there will be significant impact on the pipelines, particularly TransCanada PipeLines. It is at present paying in total about \$500,000 and that would rise to about \$1.9 million, including the new pipelines laid in 1982. Keep in mind this is only coming into effect January 1, 1983.

Currently, in the context of the telephone companies, based on the mileage charges for wire, the revenue derived is virtually insignificant. It is only a few thousand dollars. Under this proposal they will be paying, based on five per cent of gross revenues from the area served, a total estimated at about \$600,000.

If one puts that into the context of what the telephone companies now pay to the organized municipalities, something in the area of \$105 million, one sees it is a relatively insignificant part of their total tax expenses but still a more meaningful increase in relation to other organizations that operate in both organized and unorganized territories.

The question was asked about the status of a collector and who is a collector. A collector under the Provincial Land Tax Act, as I am told, is appointed by order in council. It is currently an officer in the assessment division of the ministry; this function can be exercised by other Ministry of Revenue officials by the delegation of authority by regulation to the act, and that delegation includes the minister, the deputy minister and directors in that context. That really is what a collector is.

Is there any change to other properties? Directly, in the tax impositions here, no. Is there any potential additional revenue for service boards, roads boards, etc.? The answer to that is yes, there will be additional opportunities for revenues. This in itself will not have any effect on school boards, because their assessment roll comes under the Assessment Act and not under the Provincial Land Tax Act, so there will not be any change as far as school boards are con-



cerned from this bill itself. I hope that answers those questions.

I was asked about the reasons for the amendments. We just put a bill in a month or so ago and now we are amending it. Yes, one of the amendments, frankly, is because we did not know there was any 42-inch pipeline. There are 42-inch pipelines being built, and we are now recognizing that. I might say that the sizes of pipelines now in existence are two, four, eight, 10, 12—also three for TransCanada PipeLines—30, 36 and now 42, so the one amendment will recognize the new 42-inch pipeline.

The second amendment was drawn to our attention because without the allowance for depreciation that is being incorporated in one of these amendments we would end up with some of these pipelines paying more tax than in organized areas, and that was never the intent of the bill; it was to bring the tax paid on pipelines going through unorganized areas to approximately the same as that paid on pipelines going through organized areas. Keep in mind that a pipeline is a pipeline, and it really does not recognize whether there is an organized municipality or an unorganized area. As has already been pointed out, pipelines are now paying roughly a quarter to a fifth of the taxation in the unorganized areas.

There was a comment that the change in the amount of penalty is too high. Let me put this into the proper context of what we are talking about. First, if we set aside the telephone company and the pipelines, the average provincial land tax bill is something on the order of \$20 to \$30. Believe it or not, there is even a significant number of bills that are the minimum of \$6.

The previous penalty of five per cent meant that for those people who did not bother to pay their bills, for whatever reason—even these relatively insignificant sums—the late penalty amounted to 30 cents, \$1 or \$1.50. What we are trying to do by increasing the penalty to 10 per cent with a \$6 minimum is to encourage people, frankly, to pay their taxes on time. The actual dollar penalties are still relatively insignificant, because the total amount of the bill is also relatively insignificant. So this puts the reason for the increased penalty into proper perspective, as well as the actual financial implications of that increased penalty. Both are relatively insignificant.

5:50 p.m.

Next year, the bill will raise the interest rate payable on any overdue taxes to make it coinci-

dental and the same as other taxing statutes. That will take effect only during the next fiscal year. Any taxes outstanding at that time will carry the same rate of interest as other taxing statutes and the six per cent will no longer be available. I think the honourable members would agree that six per cent interest today is really far from reality and only encourages the nonpayment of liabilities.

**Mr. Stokes:** So does 10 per cent.

**Hon. Mr. Ashe:** I say to the member for Lake Nipigon that the 10 per cent is the overdue penalty. The other change will be to the current rate of interest. It is the same as income tax. If one files late, there is an immediate next-day penalty and one starts paying interest. That is exactly what this is doing as well.

**Mr. Cooke:** What is the rate?

**Hon. Mr. Ashe:** The penalty, which previously was five per cent with no minimum, is being changed to 10 per cent with a \$6 minimum, keeping in mind that many of the bills are relatively insignificant in themselves. Frankly, it is just to encourage people to pay on time.

I am just going down the notes I have made. I think I have answered all of the points raised. Again, I want to put the total numbers we are talking about into context. The bill will impact on only six companies at this time. I say that because there could be future pipeline companies which are different from the ones that are now traversing the land in northern Ontario.

There is no doubt that in terms of the total revenue to the province there is a significant increase from the \$2.1 million previously, but it all comes from four companies; namely, the two pipeline companies I named, as well as Bell Canada and Northern Telephone Ltd.

**The Deputy Speaker:** Hon. Mr. Ashe has moved second reading of Bill 113, An Act to amend the Provincial Land Tax Act.

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Vote stacked.

#### TOBACCO TAX AMENDMENT ACT

Hon. Mr. Ashe moved second reading of Bill 112, An Act to amend the Tobacco Tax Act.

**Hon. Mr. Ashe:** Mr. Speaker, this bill to amend the Tobacco Tax Act will implement the proposals announced in the Treasurer's (Mr. F. S. Miller) budget of May 13, 1982, which

increased the tax rates applicable to cigarettes and tobacco other than cigars.

In addition, other changes will increase the amount of compensation and establish an inventory shrinkage allowance. The ad valorem tax rate for cigarettes has been increased to 40 per cent of the taxable price from a rate of 36 per cent. The tax rate for tobacco other than cigarettes and cigars has also been increased to 40 per cent of the taxable price from a rate of 30 per cent.

The tax rate applicable to cigars remains unchanged at 45 per cent of the retail price.

The maximum compensation available to designated tobacco tax collectors in any fiscal year will be increased to \$2,000 from \$1,000. This change will be effective for the fiscal year beginning April 1, 1982.

I am aware that because of the nature of the products handled by tobacco tax collectors, they experience certain inventory losses which are often unidentifiable as to cause and therefore cannot be recovered by collectors through normal channels. The value of the lost inventory contains an element of tax because of the way in which the Tobacco Tax Act is applied to tobacco products. To this point, this tax has been absorbed by the collectors.

For that reason, designated tobacco tax collectors will be able to claim a shrinkage allowance of not more than 1/10 of one per cent of the tobacco tax collected and remitted each month. This change will be effective from June 1, 1982.

In this bill I have also included an administrative amendment designed to protect for the province the tobacco tax revenue associated with the tax portion of collectors' accounts receivable assigned as collateral.

**Mr. Nixon:** Mr. Speaker, I want to speak on behalf of my constituents who grow the raw material, the tobacco that goes into these cigarettes—not cigars, although perhaps some of it goes into cigars—and who feel that 40 per cent tax on their product is unreasonably high. It is difficult to know just what the limit should be. It is difficult even to determine that because in budget after budget the government edges the tax up more and more.

Usually there is very little objection. I suppose many of the people who smoke feel a little guilty about it since they keep reading in the paper that they should not be doing it and somebody at home is probably telling them they

should stop. It is amazing that we do not get more objection from the smokers, the people who buy the cigarettes and cigars, since the tax level of 40 per cent is really reaching the unconscionable level. The revenue increase is—

**Mr. Stokes:** It is like booze.

**Mr. Nixon:** Yes, very much like booze. In this instance the government buys the liquor cheap, waters it down and sells it dear through its own stores. After the markup, it slaps on the tax. This is before the federal government even touches it.

In some countries the government has a monopoly on the sale of cigarettes, just as we have a monopoly on the sale of liquor. One of the countries in Europe does this—France, I believe.

**Mr. Di Santo:** Italy.

**Mr. Nixon:** I am advised by my good friend the member for Downsview that it is Italy. It goes back to those palmy years in the 1930s when the government of Italy was looking for additional revenue.

I am concerned particularly that this tax is interfering with the livelihood of my constituents. Those who are interested in this matter, and I would think that includes everyone in the House, should certainly read this week's issue of Saturday Night magazine, which has a magnificent article on the tobacco country in southwestern Ontario. It points out that the largest percentage of the flue-cured tobacco grown and sold in Canada comes from an area within about 25 miles of the town of Delhi, which I have the honour to represent along with my colleague the member for Haldimand-Norfolk (Mr. G. I. Miller) and to a lesser extent our good friend the member for Elgin (Mr. McNeil).

The tobacco business down there is a very large one indeed. In many respects the tobacco farmers have an opportunity to make more per acre than any other farmers in Canada. They also take substantial risks, work very hard and have a huge investment of capital.

Mr. Speaker, I would like to tell you a bit more about this when we return after the dinner hour.

**The Deputy Speaker:** We would all love to hear about it.

The House recessed at 6 p.m.



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Ontario, LEGISLATIVE ASSEMBLY

No. 83

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Tuesday, June 22, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Tuesday, June 22, 1982

The House resumed at 8 p.m.

## TOBACCO TAX AMENDMENT ACT (continued)

Resuming the debate on the motion for second reading of Bill 112, An Act to amend the Tobacco Tax Act.

**Mr. Nixon:** Mr. Speaker, I hope you will permit me to issue a special welcome to the friends of the member for York North (Mr. Hodgson) who are sitting in the gallery. We can recognize them because they are the most opulent-looking people in the whole House.

We are talking about a matter of serious import having to do with the tremendous expansion and increase in the tobacco tax that the poor Minister of Revenue (Mr. Ashe) is forced to collect since his senior, the Treasurer (Mr. F. S. Miller), has decided in his budget that this shall be the taxation policy.

I sometimes despair at debating these bills in the presence of only the Minister of Revenue, since he really has nothing whatever to say about what the taxes will be or what their size will be. However, he is a very fine fellow indeed, and I do not want to take him to task for circumstances over which he has no control. After all, if he had had his way, he would be Treasurer by now and it would have been worth while arguing with him. Maybe next year; but it had better be soon, because time is running out for the members opposite.

The tobacco tax interests me particularly because, as I mentioned just before six o'clock, most of the flue-cured tobacco grown in Canada is grown within a 25-mile radius of the beautiful town of Delhi, which is in my constituency. As a matter of fact, tomorrow night the Premier (Mr. Davis) himself is going to be the guest speaker at the annual meeting of the Flue-Cured Tobacco Growers' Marketing Board of Ontario, which will be meeting at the auction arena in Tillsonburg, another tobacco centre.

Unfortunately, although I had accepted the invitation to attend and applaud along with the other faithful, the Premier has decreed that the House will sit tomorrow afternoon and evening, and naturally my first duty is to be here. So it is with great regret that I tell you, Mr. Speaker,

that I may have to miss the opportunity to hear the Premier under those circumstances.

Frankly, it is going to be difficult for him to square with his audience, the tobacco farmers of this province, the increase in this tax of an additional \$30 million. As a matter of fact, the increase is about 23 per cent over the expected revenue of a year ago. I ask members to compare that with the total commitment to the financing of agricultural programs, which this year shows a dramatic drop of five per cent from the money allocated to agriculture just a year ago. I will return to those figures in a moment.

I did want to say something about Delhi and the tobacco industry, which must use as its basic means of survival the revenue obtained from the sale of tobacco. Almost all the cigarettes sold in this part of the world are produced from the tobacco plants, the product of these farmers, who have shown a tremendous degree of efficiency as they expanded their ability to produce tobacco leaf of the highest world quality.

As a matter of fact, the member for Elgin (Mr. McNeil), who happens not to be here tonight, led a trade crusade to the Pacific Rim nations to assist the tobacco growers in selling their crop in the People's Republic of China. I am told by a recent visitor to the people's republic that he is referred to there as the vice-minister. I will let those people deal with that as they see fit.

We were glad to hear that sales have been growing on an export basis which are improving the market considerably. The average price is about \$1.50 a pound, with some of the sale prices a bit better than that and some considerably worse, depending upon the status of the market on a day-to-day basis. Any of these sales are bound to be most welcome indeed.

When I was first elected to the House, tobacco was taxed along with the ordinary sales tax products. I think the sales tax began in 1961. Tobacco was taxed at three per cent at that point. I well remember the time when tobacco was separated from the ordinary sales tax and, when the sales tax jumped to five per cent, the tobacco tax went to six per cent.

I know the Minister of Agriculture and Food of the day was extremely concerned that we should not blight the sales of tobacco which

were already showing a certain depression because of the medical information that smoking tobacco was not the greatest thing in the world for one's health. We have now seen this tax, which started at three per cent in 1961, increase to 40 per cent and, for cigars, to 45 per cent, which is really pushing it far beyond any limit of fairness and justice.

Obviously, tobacco sales demonstrate what we economists call price inelasticity. In other words, people are going to buy tobacco products no matter what the price is. They are somewhat similar to liquor, for example. Probably those are the only two taxable sales products or services that come under that category. There are probably certain other services the Minister of Revenue (Mr. Ashe) has not gotten around to yet, but I feel sure he is eyeing them with a certain gleam as he sees his revenues falling behind his expenditures so dramatically.

**An hon. member:** They talked it over this time, did they?

**Mr. Nixon:** Well, I am sure they did. Anyway, it is a serious matter, because obviously the payment of tobacco tax has nothing to do with ability to pay. It may well be that the acting government House leader (Mr. Gregory) is in a position to buy more expensive cigars than, let us say, an opposition member, or something like that; so in that instance the ability to pay does have some residual effect.

Essentially, though, the great mass of tobacco tax is paid by men and women of all incomes, many of them of lower incomes. We are squeezing extra revenue out of people who really should not have the responsibility to pay such a disproportionate share of our revenue.

The argument that it is a luxury and that nobody has to smoke is, in my view, irrelevant. I do not smoke myself, but those people who do have informed me on more than one occasion that it is a habit they enjoy and that they do not see why this government should apply inexorable pressure that drains their finances from other matters.

The revenue from tobacco tax this year is expected to soar to \$428 million. I ask the members to compare that with the amount of money spent on all the programs for agriculture, all those famous subsidies and all the handouts for which the city members are always criticizing the poor Provincial Secretary for Resources Development (Mr. Henderson) and the poor Minister of Agriculture and Food (Mr. Timbrell).

They are paying the farmers out of all those hugely expensive programs, at least in those

members' jaundiced eyes, which amount to only \$284 million, substantially less than what we earn from the tobacco crop alone. It is only one of the many revenue-producing farm products we are so very proud to grow in such high quality and such good amounts in this province.

**8:10 p.m.**

I say again to the members that the tobacco tax is up 23 per cent while our agricultural expenditures, in these times of high inflation and of tremendous need in the farm economy, have dropped from \$298 million a year ago to \$284 million this year. That is a drop of five per cent. I want to recall to your mind, Mr. Speaker, that even at \$284 million, a good deal of that money is lent to the farmers for tile drainage programs and they pay it back. In the case of crop insurance, the government of Canada pays a substantial percentage of the administrative costs and certain other costs. How much is that? The member for Huron-Middlesex (Mr. Riddell) tells me it is a lot.

There is never any reference on any of the forms for crop insurance—which the tobacco farmers take out very carefully, since their crop is so susceptible to damage from the elements, parasites and moulds—to the fact that the government of Canada took the initiative in crop insurance and still pays a substantial share of the underlying administrative costs. The members opposite are critical of the federal government at every chance they get, but they warrant the treatment they get in many respects, since they dismiss its contributions and involvement in so many of our provincial programs.

I should say in passing, in the unlikely event that some taxpayer reads my comments, 40 per cent of the revenue of the whole province is collected by the government of Canada and rebated to the province, no strings attached, to assist us in a variety of our programs. The government of Canada collects all our personal income tax and, in addition to that, it pays large percentages, at least a half and up to 80 per cent, of many of our other programs.

Forty per cent of our provincial budget is collected by the taxpayers in Ottawa and reverts to these spendthrifts at the provincial level, who take all the political credit they can for handing the money out, cheque by cheque, to their supporters and to those whom they think may be their supporters in the future. They do not have to pass out much money in North York, because that is where we get it all in the first instance.

I want to say something more about the



situation in Delhi. The Premier no doubt will be driving through there in his limousine with a retinue of the Ontario Provincial Police, since his jet plane is not yet available to fly him into Woodstock so that he can drive down to Tillsonburg. He is still travelling by land. But, as he drives through Delhi, he will find that it really is a very prosperous part of the country.

I say to all the members here and to you, Mr. Speaker, that when the House does adjourn some time in the next few weeks, if they want to take their families through the most absolutely beautiful, lush, agricultural land anywhere in North America, they should just take a drive through Norfolk county, right up through Delhi, and see those perfect tobacco farms. There is absolutely nothing out of place. There has not been a weed growing in the tobacco country for 15 years, and that is a record. The rows are straight, the plants are uniform, the buildings are square and well-painted. It is certainly a sight to behold.

I come from the dairy country where the land is rolling, a little bit heavier. From my point of view, of course, that is the place to live. But if the members want to see something really special, they have to go down into the township of Delhi, formerly Windham, and through those areas where the very best, highest-quality tobacco grown in North America is produced.

**Mr. Conway:** There is a little place called Nixon in there, isn't there?

**Mr. Nixon:** There is a village called Nixon. That is correct. I had the honour to open the extension to the school back in the days when those things were sometimes built. It is a beautiful town, and I recommend it to all the members who might be going through. The member for Renfrew North (Mr. Conway) threw me a little bit there.

The population of Delhi, and this is directly relevant to the tax itself, is less than 5,000 during most of the year. It has the normal businesses, the banks, the insurance agencies, the restaurants and so on. If the members read the article about the Delhi area in this month's Saturday Night, written by Wayne Grady, they will read one of the best pieces of writing about rural Ontario it has been my pleasure to examine in many years. It talks about this beautiful town, the famous Diplomat Hotel with all its facilities and services that are readily available on a year-round basis, and about the Golden Leaf Restaurant and Tavern with the back room where the Liberal Party meets from time to

time. When we are not meeting there, the Tory party uses the telephone booth, I understand.

When the tobacco season opens up, we have many fine people coming in, largely from the province of Quebec. By coincidence, a good many young men and some young women come. Many of them hitchhike here for the high pay and interesting work associated with the tobacco crop.

We also have a program sponsored by the government of Canada, which often has been rather heavily criticized, for bringing in labourers from the Caribbean who come on a contract basis to work for specific farmers. They are extremely highly regarded workers. They come on contract and are well looked after. They are housed in carefully inspected facilities. They are well paid; at least they think so, and I think so. At the end of the season, they return to the Caribbean with a wad of money, and it contributes to their economy as well as assisting ours.

One may want to argue that this should not be permitted when we have such a high degree of unemployment in our own province, but we must remember that working in tobacco is definitely a skilled farm occupation. It is very highly paid. People can learn it, but it seems these people from the Caribbean have a special aptitude and commitment. I suppose "endurance" might be another word that could be used. This gives them a sort of popularity, which means there never have been enough of them on hand to assist in the harvest.

The population goes from less than 5,000 to more than 10,000. It makes for some very interesting sociological observations in the community.

The mayor is a good friend of the member for Oxford (Mr. Treleaven) and myself. Arne Sayeau has been the mayor for a number of years. I understand he will be running in the forthcoming election. I have not heard of anybody who has had the nerve to even think of contesting the office against him.

When one has such an influx for the tobacco harvest as they have in Delhi, one can understand that the chief magistrate has to have certain special qualities of personality and leadership, which I can assure members Mayor Sayeau has in ample amount. I believe he is one of only two mayors in the whole country who had to read the Riot Act under one circumstance that became a little iffy a few years ago. He would be quite up to that.

Of course, we have a regional police force that looks after things in that area as well. While

I am dead against regionalization, and I believe the police force costs us too much, still I am here to say that they do quite a good job indeed. The Ontario Provincial Police also are on the scene from time to time.

I do not want to give the impression that sociological situations there require police supervision all the time, because it simply is not true. The people who go there in the summer are extremely interesting and hard-working. Most of them are very happy citizens, and when the tobacco harvest is completed they go back to La Belle Province with a bagful of money. There are other young people who are learning that this is an excellent experience in the summer. It is hard work, but it has what is called ample camaraderie and is highly paid.

Because of these costs, the additional \$30 million extracted from the industry is going to make it increasingly difficult for the farmers to make ends meet. After all, the sale of tobacco is strictly limited under provincial law and is administered by the Flue-Cured Tobacco Growers' Marketing Board of Ontario. Many of the farmers own fairly large acreages, 200 or 300 acres of the soil which is designated fox sand, since it is 90 per cent sand and 10 per cent silt—Mr. Speaker, I knew you would want to know that—but they have a carefully enforced right, which is worth a lot of money, to grow only a specific poundage. They can grow all they want, and I guess they can smoke any extra themselves, but they cannot sell it because of the severe restrictions the Legislature has laid down which control the market in a very strict way.

**8:20 p.m.**

On the acreage they do grow, with a normal crop they grow about 2,400 pounds to an acre and it sells for an average of \$1.50 a pound. The members can do a little quick arithmetic. Some of the farmers gross about \$3,500 per acre. Those members who are farmers who grow corn, beans and other crops can consider that spread, but their costs are in many instances well in excess of \$2,000 an acre and the risks are enormous. If it is not hail, it is blue mould or some other problem. It takes the highest quality of management as well as the commitment of a tremendous amount of capital to make this crop a viable one in the Delhi area.

Forty years ago, when I was considerably younger than I am now, I used to travel down into the area with the former member, my father. As we went along those township roads—I

can well recall that none of the roads was paved, and the sand was blowing across them—I can remember my dad saying at one time in despair that 90 per cent of the residents in the township of Windham were on what was then called relief. Those were really tough times. God forbid that we ever see them again.

Two miraculous things happened. There was the discovery by the Dominion Agricultural Experimental Farm that the fox sand was ideal for the growing of tobacco. One of the researchers went up and bought a farm for \$20 an acre. I believe his people are still growing tobacco there.

The second thing was the initiative taken by the then Department of Lands and Forests through its chief forester, E. J. Zavitz, to begin reforestation in the area in an experimental but expanded way. It was not long before rows of white pine, white spruce and cedar were growing along the fields to hold the soil where it should be. That is one of the great and attractive features of the country as one goes up and down the various concession roads.

I see I have you entranced, Mr. Speaker.

All the roads now are paved. It is one of the richest municipal areas one would ever want to see anywhere. There is no such thing as a gravel or dirt road. The sand is not moving. The trees have grown up. Many of them are mature. They form a great sight, and between the rows of trees are these marvellous, well-kept fields of tobacco.

As the tobacco tax gets up to the 40 per cent level, I am concerned that it is going to put us back into a situation we have previously experienced. We are going to be subject to a good deal of cigarette smuggling. There are now a number of jurisdictions in Canada that have lower tobacco taxes than we have. I suppose the outstanding one is Alberta. It is a long haul to bring cigarettes to Ontario, but I understand that hauling the low-tax or no-tax cigarettes out of Alberta, right across the country and selling them on the black market in Ontario, is once again getting to be big business.

The disparity in tax is so great that the Minister of Revenue has been forced by the Treasurer to become an anti-smuggling agency. We realize as well that there are certain no-tax cigarettes available at Indian reservation communities in the province. There was some problem as some of these tax-free cigarettes were sold in Indian reserve stores and other facilities and then resold in the other communi-



ties at a reduced rate, which was really a bootleg sale.

I know the minister and his predecessor had some difficulties in this regard. So did the Indians, who feel they have the right to buy and sell tax free on their own reserve. Being very law-abiding citizens, most of them would not dream of selling or even offering a cigarette off the reserve on which full tax had not been paid. But, as in every other community, there are situations where some of these tax-free cigarettes have found their way into the normal market. I know the government has had a considerable amount of difficulty in bringing that under control. I am informed they have been reasonably successful in that regard without too heavy penalties having been paid by anybody.

The whole problem of smuggling is one that will make even the minister stop yawning when he finds that his revenues from the tobacco tax are considerably lower than anticipated. The government brought the smuggling problem on itself by its greedy approach to the tobacco tax. They slapped on a 40-per cent tax when it used to be taxed at the same level as everything else that was taxed at seven per cent.

The situation in the tobacco community is one of concern for the farm economy. Tobacco farmers have been spectacularly successful over many years, but the risks, the commitment of capital, the special expertise needed to grow the crop and the elaborate and costly marketing procedures all militate against the kind of profits one might normally think would be made. However, most of the tobacco farmers I talk to are making a reasonable profit, probably at the very top of the scale of any farmers in Ontario or anywhere else in the world among farmers who are growing a legal crop.

It will not be possible for me to support a tax of 40 per cent, which I feel is unjustified. If the government was at least moving towards using a major part of that money to support other agricultural programs it might have some justification, but because of the inadequate leadership of the Treasurer and the Minister of Agriculture and Food and the poor situation the Minister of Revenue finds himself in, where he simply applies other people's decisions, I for one cannot support this bill in principle.

**Mr. Breaugh:** Mr. Speaker, we will oppose this legislation to increase the tobacco tax.

One could go into a long dissertation about

the problems in the farm community. The member for Brant-Oxford-Norfolk (Mr. Nixon) went through some that are undeniable. There is no question that a further taxation measure on a crop of this nature at a time when everyone in the farm community is facing severe economic problems will increase the problems those people have. As the minister knows, in our region as well we have a small number of farmers who grow tobacco and will be affected by this taxation measure.

I was a little taken aback by the glowing terms in which the previous speaker spoke of the farm workers who pick the tobacco crops. To balance that a little, I must say I am not aware of large incomes being earned. I am certainly aware that many of the immigrant workers who work in the tobacco fields are working under some duress and that their living accommodation is less than desirable and in some instances severely less than it should be.

It appears strange at a time of very high unemployment in the country that this program by the federal Liberal government of bringing in immigrant workers should continue. It is difficult to get people in this country to accept those kinds of working conditions; I grant that. But it seems strange that in the midst of high unemployment, the federal government still imports workers for this kind of project. It may well have a lot to do with the working conditions, the living conditions and the nature of the work. That kind of exploitation of immigrant workers may be something the federal government is prepared to do to other countries' workers but not to our own.

I think that argument ought to be made clear. It is strange indeed to see the government introduce a taxation measure that will have an impact on a portion of our farm economy. Many people may look at these things as part of the sin-tax concept, that it is okay to tax anything that might be construed by some as a sin, that there should never be anyone who is unwilling to do so and that there is no limit to it. I would put to the minister that I believe there is a limit and that this bill surpasses this limit by some measure.

**8:30 p.m.**

I think we should be clear that this is not a health measure on the part of the government. We are not talking about convincing the population that smoking is dangerous to their health; we are not talking about a program that would

fund such a health program; we are not talking about a rehabilitation program for people, like me, who continue to smoke; we are not talking about anything good. What we are talking about is an attempt by the government of Ontario to increase its revenue, straight and simple.

It is interesting to note that the government of Ontario has discovered a wealth of revenue in all of this. It has made liquor, tobacco and the numbers racket prominent features of its sources of revenue. This has been a growing trend, and it continues unabated. In the other two areas of this kind of taxation it has become extremely sophisticated. This government is heavily involved in the numbers racket. It announced rather grandly again, this week, that it has yet another version of gambling for people to participate in.

For example, in the entire area of the sale of liquor it seems to have made some kind of technological breakthrough. It has found a way to increase taxation on the sale of liquor products in a wide variety of ways—and, of course, it has a virtual monopoly on the sale of liquor—and it has become extremely sophisticated. So this government is very heavily involved in the other two sin taxes of gambling and liquor, and it has made them a major portion of the revenue of Ontario.

It really leads one to question a government that has made those taxation measures in those forms such an integral part of its economy. I believe that, as with this tax, it is part of this government's move to see how many ways it can get money out of the taxpayers' pockets without their realizing that the government is doing it, and it seems to be getting more and more sophisticated as it goes through.

This particular tax is clearly a taxation measure, clearly an initiative on the part of the government to get money out of taxpayers in Ontario. Yet, once again, we will see that it is not the government of Ontario that dips into your pocket for the cash; it will be somebody else. It will be the guy downstairs who runs the Canadian National Institute for the Blind smoke shop; it will be some corner store merchant who sells you that package of tobacco or that pack of cigarettes; and it will be that nice friendly person at the Becker's store or the Mac's Milk store or somebody other than a government agent who grabs the tax money, and, in turn, these people will have to remit it.

If you look at the wide variety of ways in which the province now has somebody else, someone not directly identified with the gov-

ernment, collecting taxes for it, you really get some concept of how deeply ingrained this whole idea is in the government.

It is going to be more and more difficult to find somebody in our community who, at some time or other, does not function as a tax collector for the government. They do not do so willingly, and perhaps many of them do not do so knowingly, but they wind up performing the same function. I dare say that almost every member of this Legislature will at some point function as a tax collector. That is not our role in life, but if we go out and work in community social events; if we participate in barbecues, auction sales and things of that nature; if we serve time with service groups in our community, as most of us do, sooner or later we will all wind up taxing the people of Ontario and functioning as agents of the Ministry of Revenue. It is a strange phenomenon, one that has grown and developed, and this particular bill adds to it. This bill sees that they will grab even more tax money from the people of Ontario.

It uses a concept that the government is so fond of, which is that of a tax that is not seen by the people as a tax. It was Darcy McKeough who said it rather succinctly when he was talking about Ontario health insurance plan premiums. He admitted flat out that they were a tax, but he said they were the best kind of tax; they are in place, they are not called a tax and they are collected by somebody else.

Those may be the criteria that all these taxation measures are based on, and this tax, like many other attempts the government is using in its current budget process, fulfills those criteria: get a tax in place that people cannot see, get somebody else to collect it and use it as a source of revenue.

In a number of ways the impact on our community of the legislation before us tonight deserves to be rethought carefully by all members. Is this a desirable source of revenue? If it is, does it deserve such a high place as a revenue source for Ontario?

I want to say a couple of words about the people who will actually pay the money. One of the objections I have is to the simple technique that is at work here. There really is only one fair way to get tax money out of people and that is to use a mechanism called an income tax.

It seems to me that, in this country, at the two ends of the system we have taxation processes at work which are fair, in that they can be seen. In



the middle is the province of Ontario which uses every technique it can to camouflage its taxation approach. At the municipal level people can see the process. They get served with a tax notice and can see their municipal councils going through the budget process of making choices and establishing priorities. There we have a very open budgetary process.

At the federal level the process is no better than that used in this Legislature, but at least the taxation measures are more visible. You do get mail from Revenue Canada, a form which you have to fill out to declare your income and to figure out what your income tax is. Most people are aware that there is a taxation measure at work, "I am paying my taxes; I am doing my accounting for the year; I am seeing how much money I owe and declaring how much income I had." It is a very open and visible taxation measure.

In the middle of these two extremes is the province of Ontario, using techniques such as the one before us, trying to find as many people out there who can grab as much money off people without anybody knowing the Minister of Revenue (Mr. Ashe) for Ontario is at work. He is getting all kinds of people to collect taxes by these techniques.

I have some problem with that, but the single biggest problem I have is that the people of Ontario do not realize who is nailing them this time. The people of Ontario may well be blaming the person who sells them a package of cigarettes for grabbing more money, but that is not the case. It is the Minister of Revenue at work in his own sly, shy way, grabbing another little bit from the people of Ontario.

One of the severe problems I have is when you look at who will actually be hit hardest by this. There are very few people in our society who continue to smoke who would not say that it is a regular thing that they do. There are not that many people who smoke a cigarette or pipe or cigar once a week. For most of them, unfortunately, it is habitual; and for most of them as well, unfortunately, it is one of the few pleasures they have left in life.

This government has moved thoroughly across the board to grab people in as many ways as it can. Those individuals are left with one or two habits which provide some small measure of pleasure to them, and the government is going to get them again.

I cannot get away from the central theme that this government has hit upon a new notion in

politics: taxing the poor. I do not understand that. I always thought the basic concept of taxation, when it was introduced as a temporary measure some time ago in various governments throughout the world, was to tax those who had an ability to pay. That was to be the prime criterion for it. This kind of legislation bears no relationship to ability to pay. The very poorest person, the person living on the poverty line, who still smokes, is going to pay the same amount of tax as the wealthiest person in the nation.

One can argue, and I suppose the minister in his own wonderful way probably will, that in some way, because they smoke quality cigars as opposed to not so expensive cigars, the rich will pay more. I am not convinced that is a reasonably valid way to proceed. The vast majority of people who smoke probably do so with some reluctance but it is now habitual and they are caught in a habit. Once again, disregarding totally their ability to pay, the government is going to get them on a regular basis. Once again, it is taxing something where probably the most impact will be on those people who have the least ability to pay.

It is an unfair way for the government to proceed with taxation. It violates the first principle of taxation that I would support, that one taxes those who have an ability to pay. That should be the first criterion. This bill makes no mention of that at all.

**8:40 p.m.**

This bill does very little for anybody. If one looks at the farm community, there is clearly a negative impact there. If one looks at the retailers who will collect this particular tax on tobacco, I am convinced it will have a negative impact there as well. If one looks at the consumer from that point of view, there is another negative impact at work.

The only positive impact of this particular piece of legislation is for the government. It perpetuates that tax technique which they have worked on for so long and which is now pervasive in our society.

The last thing this government wants to do is to identify itself as a taxing agent. The last thing this government wants to do is to move towards some kind of taxation measure which reflects an ability to pay. The last thing this government wants to do is to get identified as a tax collection agency. This government has gone to the other extreme and perfected the technique of getting

the corner store retailer to be a fine collector of taxation moneys for Ontario.

That is not the reason somebody operates a corner variety store. Yet more and more they are driven into this syndrome of being tax collectors. They do not like it. There is some question in this act. There are mentions in here of the process of collecting this taxation money and sending it in to the government. Many small retailers feel that process itself is unfair, that they get hammered on that as well. They are tax collectors when they do not want to be and for many of them the conditions under which they collect that tax are unfair.

At some point this government has to rethink this process which it has under way. I recognize it allows them to camouflage their taxation techniques rather well. I realize it enables them to get, as involuntary tax collectors, a great range of people. When one goes to the corner confectionery store there is no sign saying, "I am here to collect taxes for the people of Ontario." Somewhere in there will be a vendor's permit, but most of the public will not notice that. They are making villains out of people who are now having unfortunate times in this economy.

This is probably the worst kind of taxation measure any government could perceive; most in the western world have decided to use it. I suppose the only defence I have ever heard, which takes something like a tobacco tax and promotes it as being a righteous thing to do, are those people who say, "For something like smoking, which is not a good thing and we are all in agreement on that, what one ought to do is make that prohibitive so that people really should not do it."

But then most of the studies I have seen about increasing the government's revenue from the sale of booze, the numbers racket or the sale of tobacco, show there is very little impact on the public. There is no direct relationship between the price of the commodity we are talking about, in this case tobacco, and the number of people who continue to consume it. There seems to be no relationship at all.

What we are left with is a very clear taxation measure. This is not a health bill. This is a revenue bill. This measure is to get more money into the coffers of the province of Ontario. It is to elicit more funds from the taxpayers in Ontario.

I have no qualms with a government raising revenue. All I am saying is that in my view there

is a clearly defined set of priorities and a clearly defined course. To be fair about it, the government of Ontario itself ought to be seen as, and in my view ought to be, the collection agency, not somebody else. They should be moving on measures which provide some fairness. To be straight about it, they at least ought to have the courage of their convictions to identify themselves as using a tax collection measure.

This caucus opposes this legislation. It opposes it because in general terms it is part of a budgetary strategy which we do not like, which we think misses the boat completely in today's economy.

We also oppose this technique because it is unfair to the people of Ontario. It puts an onus on people who do not want to be and are not in business to be tax collectors for the Minister of Revenue. It hits hardest the farm community, the retailer and the consumer. I do not want to get carried away with this argument, but I think there are people who view smoking as being the last little pleasure they have in the world. I suppose it is open to debate whether it is a pleasure or a health hazard, but they certainly see it as being just the former.

The minister has got them again. He has got the worst kind of people identified as a target for this tax, and he has the strongest impact there. I think at some point this government is going to regret its substantial commitment to this type of taxation. It is getting down to the bare bones in difficult economic times and going after those with the least ability to pay and consistently hitting them as hard as it hits the richest person in this province.

The bill in itself is unfair. The approach is regressive and the technique this government is developing and expanding into a number of areas is really tantamount to fraud. If the government wants to tax people, it ought to say it is taxing people. It ought to identify itself clearly as a taxing agency and base its taxation measures on an ability to pay. This bill meets none of these criteria.

**The Acting Speaker (Mr. Cousens):** I would ask the honourable members on my immediate left to reduce the level of their voice tones. It is a little bit loud. The member for Haldimand-Norfolk.

**Mr. G. I. Miller:** Mr. Speaker, it is a pleasure for me to rise and speak on behalf of some of my constituents and on behalf of the tobacco industry in Ontario, to take a strong stand and make some points as to why this is a regressive



tax. My colleague the member for Brant-Oxford-Norfolk (Mr. Nixon) painted the picture of the tobacco country in a very splendid way. I would like to add to those comments and point out that tobacco has been the mainstay and has made that part of Ontario.

As a matter of fact, Canada is the fourth largest producer of flue-cured tobacco in the world, with 90 per cent of Canadian production grown in Ontario and 50 per cent of that production grown in Norfolk county. It has truly made an area of Ontario. Going back into my younger days, with the little municipalities such as Silver Hill, Jericho, Wycombe, Langton and Fairground, the land was of very little value and yielded very little production. People just existed off it. Within two generations it has become a most productive land dollarwise and has contributed to the economy of Ontario and Canada.

I think my colleague indicated the industry would generate an estimated \$428 million this year, up from \$345 million last year. I would like to make another point. The total income from taxes on tobacco products in Ontario in 1980-81 was \$766.3 million or 1.2 per cent of the total provincial gross general budget. Those figures were obtained from provincial and municipal finances for 1981.

The total income for the Ottawa and Ontario governments is over \$1.5 billion. This tax is not only generated from the tobacco industry itself, it is generated from other areas such as farm equipment, farm machinery and kilns. Much of that equipment is made in the local area. There is a foundry at Delhi. The new type of kiln used for curing is made in Tillsonburg and other areas of that part of Ontario. This indicates to the people of Ontario, particularly the urban people, that agriculture is really the engine that makes our economy work. When too much is taken away in tax, of course, it is going to go downhill.

I would like to make a comment on labour. The industry does employ a lot of labour. But because of the difficulty of getting young people of our own sufficiently skilled to work in that field, they have had to import outside labour.

**8:50 p.m.**

I would like to point out that the member for Oshawa (Mr. Breagh) indicated that the accommodation is not good. I would suggest to him and anyone else in this Legislature that accommodation for summer employment is excellent. It is inspected on a yearly basis and has to meet a standard. From my experience and having had an opportunity to see housing in Toronto, I

think it can compare favourably and has an outdoor atmosphere which I would highly recommend. Any young people or anyone looking for employment should go and try to compete for those jobs because the jobs are there. If those farmers knew that there was a source they could depend on, they would hire local help.

I would like to see this government, in view of the taxes they collect, encourage more employment at the local level. It is important that everyone has a job and shares in the economy. There is potential to fill those areas of employment. Only last Friday morning, I had the opportunity to go to Port Burwell, and on the way down I saw many farmers were cultivating their tobacco.

As was indicated before, the roads are straight and they have small tractors and there are two people riding on the back with equipment so that they can get close to the rows. They do two rows at a time and make sure that the weeds are all taken out and controlled. It is a very highly mechanized business but it still requires people to utilize the hoe. I saw several farmers tidying up the weeds that were left with young girls and boys doing the hoeing.

When this tax is compared to that in a province like Alberta, and one asks why there are suggestions for a black market, I think the reason is clearly indicated when one looks at the figures. Alberta collects 64 cents from a carton of 200 cigarettes; in Ontario we collect \$3.74. If those cigarettes are brought back to Ontario that is an obvious profit of something like \$3.10.

The point has been made, too, that we have all classes. I myself enjoy a pipe and I enjoy a cigar. The tax on cigars is 45 per cent, which incidentally is an ad valorem tax; every time the price goes up, the province shares in that revenue. The cheapest cigars of any quality are \$2.50. Every time one pays that price the province of Ontario receives \$1.10 to \$1.15. I think there is a future market which could be developed. A good Canadian cigar at a reasonable price would move and give a lot more people employment at all levels.

I might add that there is no Canadian pipe tobacco, as far as I am aware, of the type I smoke that we have access to now. Going back a few years there was. Again, the Minister of Agriculture and Food (Mr. Timbrell) might move in and try to encourage more local products. Borkum Riff is the type that I smoke, which is Swedish tobacco. I suspect it is not grown there but it comes back here and is

widely used. I see other members of this Legislature, who smoke a pipe, using the same brand.

**An hon member:** What brand does the Premier (Mr. Davis) use?

**Mr. G. I. Miller:** I did have the opportunity of going back to the International Ploughing Match at Woodstock. I was running a little short one day and the Premier was there. I was able to sponge a pipeful from him. I think it was something of a similar brand. It probably was Borkum Riff, I am not sure.

There is another area of concern and an indication that we are hitting the little guy with the tax collecting aspect of it. Subsection 2(1) of the bill indicates that the payment for collection of that tax will increase from \$1,000 to \$2,000. For the little store operator, that really does not mean anything at all because one per cent on the dollar collected certainly is not going to add up to \$1,000 over a year's sales. Therefore, it is really not going to help the little person. He is still going to be collecting more taxes on behalf of the province.

I would also like to point out that the Premier is going to Woodstock on Wednesday night. I intend to take part in the 25th anniversary of the tobacco board, which, incidentally, has done a tremendous job and has been a leader in the farm organization and marketing field on behalf of all marketing boards in Ontario and Canada and in making the agriculture industry what it is today. After 25 years of operations, I certainly would like to be there and support their expertise and what they have given to all the producers in that part of Ontario over those years.

I might point out that after the tornado disaster a couple of years ago, this government would not include tobacco in the farm assistance program. They did not consider it to be an agricultural product; consequently, many of those farmers were put in very dire straits when they had the excess rain and the crop damage. We put considerable pressure on the minority government of that time. It was interesting to note that when they came along with the farm assistance program the last time around, they included tobacco, which I think those farmers so readily deserve.

The tobacco industry itself generates several times more money than the total expenditure put into agriculture across Ontario. That indicates just what this government really thinks of agriculture and its ability to support the economy in this great province.

In summing up, I think that the 40 per cent tax on cigarettes and the 45 per cent tax on cigars is

regressive. We are asking that little person who has so much difficulty making ends meet now, particularly with the job opportunities the way they are, to shell out more just to take care of a jet that this government has seen fit to buy, and an oil company that is not going to make even one more job in Ontario. If the government had held the line in those two areas, it would not have needed the increase. I think it is a regressive step; consequently, I certainly cannot support it, and I believe that my party is in the same position.

**Mr. Riddell:** I will speak very briefly, Mr. Speaker. I cannot talk about the tobacco acreage in my riding because I do not have any, but I can talk about the importance of the tobacco industry in this great province of ours.

As the member for Brant-Oxford-Norfolk (Mr. Nixon) indicated, this government is certainly preying on the inelastic demand for tobacco and alcohol. However, I am going to tell the minister that if he continues to make too much of this economic principle, if he continues to capitalize on this economic principle, then it is going to change just as sure as I am speaking here tonight. It will change to one of elasticity. If that happens, then the total economy is going to suffer. The tobacco industry contributes greatly, as one well knows, to the gross provincial product of this province, which is in the neighbourhood of \$130 billion, if my memory serves me correctly.

The point I am trying to make is that we cannot overestimate the importance of the tobacco industry in Ontario. As the previous speakers have indicated, 90 per cent of the tobacco sold in Canada is grown in Ontario. We have already indicated it contributes greatly to the total provincial product. It is worth, at the farm gate, in the neighbourhood of \$300 million, so it is an important source of revenue to the farmers in this province.

**9 p.m.**

It is interesting to note that \$300 million is greater than the total provincial agricultural budget, which is in the neighbourhood of \$284 million. That amounts to somewhere in the neighbourhood of one per cent of the total provincial budget including, as the member for Brant-Oxford-Norfolk alluded, the tile drainage loans that are paid back by the farmers. As far as we can estimate, the government is actually making money on this program because of the loans it has put out and the interest that is coming in from these loans. So it boils down to



very little money, at this stage of the game, that the government is actually putting out on tile drainage loans. That is right, if the minister wants to do a little bit of figuring.

The agricultural budget also includes crop insurance, which is paid for by the federal government and, admittedly, administered by the provincial government. But it also includes the property tax rebate the farmer should not have been charged for in the first place. I am sure this is going to change in future years. One of these times we are going to see a budget come down changing the whole assessment of farm property and likely doing away with the property tax rebate.

If we take those three things into consideration, the agricultural budget amounts to about half of one per cent of the total provincial budget. But this government is collecting \$428 million from the tobacco tax, which is \$144 million more than the provincial budget for agriculture. If we take into consideration those items that are included in the provincial budget but are from sources other than provincial, it amounts to \$288 million more. So we are really riding on the back of the tobacco industry in order to make this whole province go.

I think it was mentioned that the tobacco industry is very important to the whole area of employment. It might interest the members to note that in this province the direct jobs provided by the tobacco industry amount to 17,952. The indirect jobs amount to 6,700. If we combine the two, the tobacco industry provides, directly and indirectly, 24,652 jobs in Ontario. If we deal with the induced jobs, we add another 12,083. So all told the tobacco industry in this province provides 36,735 jobs.

If the inelastic demand ever changes to an elastic demand we can imagine how this is going to affect employment in this province. The last thing we want to do at this time is to discourage employment opportunities, but that is going to happen if we continue to prey on the economic principles we find within the tobacco industry. We had better take a very good look before we impose any more taxes on this very important industry.

Finally, I want to say we are going to see more smuggling of tobacco from other provinces, particularly Alberta. In Alberta, a carton of 200 cigarettes is now taxed at 64 cents compared to a carton of 200 cigarettes in Ontario, which is taxed at \$3.74. With people more than ever looking for a way of making an income, when they see this differential between the provinces

one cannot tell me we will not see far more smuggling of tobacco from one province to another. Ontario's black market in tobacco will certainly be stimulated by the provincial budget's added tax on tobacco. It is already obvious we are losing millions of dollars from the provincial Treasury because people have been, as the Minister of Revenue well knows, importing cigarettes from Alberta, where they attract a much smaller tax than in Ontario.

We could talk more about this great tobacco industry and the effect this tax will have on it, but I want to impress on the minister that we cannot keep raising revenues by charging a tax on one very important crop or industry in this province. We have marched along on the backs of the tobacco industry far too long. It is time we realized it is an important farm commodity and crop and an important industry. Let us not jeopardize that industry by continuing to charge a price on a product which consumers are eventually going to object to paying. With those remarks, I shall take my chair.

**Hon. Mr. Ashe:** Mr. Speaker, I will try to touch on a few points that were made. If there is one overriding difficulty, it seems to be the suggestion that the tax rate is too high, that this is not an appropriate place to raise revenue. I think that could be debated for some considerable time. It is safe to say that following this budget and others in past years, people in the marketplace are questioned by the press and others, and there are very few exceptions to the response: "That is the way it is. It is one of those things I do not need to have. I may enjoy it, as the case may be, but it is something I can do without if need be. So that is fair ball." So I do not think that argument has much validity at the consumer level.

In terms of the retailer level, I do not think there is any onerous task involved in selling the product, particularly since they are not the actual tax collectors unless they bought the cigarettes illegally and then it is their responsibility.

The smuggling question has been referred to, both off Indian reservations as well as from other provinces. Yes, that is a concern to us. It is a concern not only to this province but to every province in Canada with the exception of Alberta. I do not think it is relevant to compare the tax in that province with any other because we all know the source of the majority of its revenue in these times, which unfortunately most other provinces do not have in the same abundance, is oil and gas and related revenue.

It is only reasonable to point out that although we are far from being one of the lowest taxing authorities on tobacco products, we are not the highest. We have several provinces in the same area. Saskatchewan and Manitoba are about the same. Quebec is a penny higher. New Brunswick is virtually the same. The Northwest Territories and Yukon are about the same. In Newfoundland, by the time one adds a further sales tax at the retail level, they are about twice what we are. Granted, there are some that are a little lower, and it is acknowledged that Alberta is considerably lower.

9:10 p.m.

I think there is a false impression of the revenue increase that is directly related to the change in rate on cigarettes. The actual increase is only four percentage points, from 36 to 40 per cent, an 11 per cent increase, if one will. In the case of cut tobacco, it is an increase of 10 per cent from 30 to 40 per cent, a one-third increase.

When one relates those figures, they are not really relative to the retail sales tax per se. As we all know, the retail sales tax is on the retail selling price. In the case of the ad valorem tax on tobacco products, as on many others, it is the net retail price before tax on which the actual tax rate is put. If one relates that 40 per cent to the actual retail price, it is something less than 30 per cent and may be a little in perspective if one is comparing it with a retail sales tax level.

Again, if one looks at other provinces that have substantially higher retail sales tax percentages than we do, the comparison becomes even more relevant. This misunderstanding was exemplified by the member for Haldimand-Norfolk (Mr. G. I. Miller) who indicated that in his view a \$2.50 cigar carried a \$1.10 tax, if not more. In actual fact, the tax on that \$2.50 cigar is 77 cents. Granted, that is a significant sum of money, but it is somewhat less than the \$1.10 plus referred to by the member.

I may also point out that a couple of references were made to the fact the tax right now is \$3.74 a carton. It is \$3.68. True, it might be \$3.74 at some time in the not too distant future, but it is actually \$3.68, just a penny less than in Quebec.

To put the whole issue into perspective, it is part of the Treasurer's budget of May 13. I think it is literally expected each year. It generates a reasonable sum of revenue. It is a significant part of the overall budgetary needs of the province, but I want to emphasize that the actual increase attributed to the rate changes in this budget accounts for \$30 million, not the

actual difference indicated in the budget document in the total overall anticipated increase in revenue from tobacco tax. The revenues from 1981-82 were not on a full fiscal-year basis and of course the ad valorem rate itself has a growth rate built into it.

I do not think there were any other particular points made. The member for Oshawa (Mr. Breaugh) made reference to taxing the poor. I cannot relate to that at all. It is not exactly a necessity. He could use that argument for something like food and shelter, but I suggest that something like tobacco products and alcoholic products are considered at the very minimum something of a luxury item that is not a necessity to maintaining our way of life.

It may be an important relaxation for some, although not for me personally, but that is neither here nor there. I cannot buy his poor argument that it is taxing the poor and that the tax itself is not relevant to the ability to pay. I think this is a reasonable piece of legislation and a reasonable part of the fiscal responsibility of the province.

**The Deputy Speaker:** The Minister of Revenue has moved second reading of Bill 112, An Act to amend the Tobacco Tax Act.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Vote stacked.

## CORPORATIONS TAX AMENDMENT ACT

Hon. Mr. Ashe moved second reading of Bill 114, An Act to amend the Corporations Tax Act.

**Hon. Mr. Ashe:** Mr. Speaker, this bill to amend the Corporations Tax Act includes significant changes affecting small businesses, as announced in the 1982 budget, as well as some administrative amendments.

A small business that earns an active business income will be exempt from the Ontario corporations income tax for two taxation years ending after May 13, 1982, and before May 14, 1984. The exemption will apply to the lesser of the Ontario taxable income and the taxable income that qualifies for the small business deduction under subsection 125(1) of the Income Tax Act of Canada. Without this amendment, the corporation would be liable to the Ontario tax at the rate of 10 per cent on such income. Moreover, the exemption will be based on the higher annual and total business limits of \$200,000 and



\$1 million respectively, as announced in the federal budget of November 12, 1981.

A corporation that qualifies for the tax holiday will also be exempt from the payment of tax instalments in respect of the exempt income. Where such a corporation has already paid instalments for its first taxation year ending after May 13, 1982, and the total of these payments is higher than the revised tax liability as estimated by the corporation, it may apply for a refund of such excess amount even prior to the end of its taxation year. The bill authorizes the refund of such excess amount without having to wait for the tax return to be filed or the assessments to be raised.

A complementary amendment provides for the resumption of instalment payments after the end of the exemption period. Since the instalment for a taxation year may be based on the tax payable for up to two previous taxation years, it has been provided that, for the purpose of determining the amount of instalments payable for a taxation year ending after a tax exempt year, the previous year's taxes will be calculated on the basis that the exemption was not available for those years. This means the corporations will revert to the payment of instalments in the normal way after expiry of the tax-exempt period.

In addition to this very important budgetary item, the bill includes some administrative amendments. The first item relates to the payment of management fee, rent, royalty and other charges to nonresidents. The present provision requires the inclusion in the income of the payer corporation of 5/14 of such amount paid to a nonresident person with whom it was not dealing at arm's length.

As an exception, this inclusion is not required if the nonresident person to whom the payment is made is taxable under the Ontario act. This part is now being modified to state that the exception will apply only if the nonresident recipient had included the amount received in its taxable income.

The other part of this amendment is intended to close a loophole whereby a corporation could avoid the 5/14 add-back by channelling the payment to the nonresident through another person resident in one of the other provinces. It has now been provided that such payments would also be subject to the income inclusion provision.

The second set of administrative amendments relates to the calculation of paid-up capital of banks and loan and trust companies. With

respect to the banks, the bill introduces new terminologies in place of the old ones in order to bring them in line with the revised terminologies used in the Bank Act. The bill also provides that where a bank or trust corporation uses the equity basis of accounting for its investment in another corporation, the share of the earnings or losses of that other corporation will be excluded when computing the paid-up capital of the bank or the loan and trust company.

Finally, the bill brings in an additional option for calculating a corporation's tax instalments and clarifies the requirement relating to the due date of instalment payments where a corporation's year does not end on the last day of a month.

**Mr. T. P. Reid:** Mr. Speaker, you will be happy to know I have some extensive comments to make on this bill.

In essence, Bill 114 is an act to assist small business in the province. However, before I get into examining the contents of the bill, it is worth entering into the record how many small businesses are actually operating in this province. I go back to the comment I made earlier today and on other occasions that we really should have a compendium of information that would indicate how many small businesses are going to be affected; and I am going to touch on some other items that will indicate how poorly this budget has been drawn and how little information the Treasurer and, unfortunately, the Minister of Revenue, have to work with in bringing this kind of legislation before us.

**9:20 p.m.**

As with many of this government's inconsistencies, there seems to be a difference of opinion about how many incorporated, unincorporated and just plain small businesses exist in Ontario. The corporations tax branch of the Ministry of Revenue says there are 160,000 incorporated small businesses, of which 70,000 paid some form of income tax in 1980, the last available taxation year for which we have information.

The Minister of Industry and Trade (Mr. Walker) said in a speech to the annual meeting of the Ontario Chamber of Commerce in Hamilton on May 31, 1982, "There are 240,000 small firms in Ontario." In this statistic I think the minister has tried to include both incorporated and unincorporated small businesses. However, two months earlier the same minister told those who attended the Canadian Chemical Producers' Association dinner, and I am sure they were

quite happy to hear this, "We have more than 400,000 small firms doing business in Ontario."

This can lead to only two possible conclusions. The first is that there has been a larger number of bankruptcies in this province in that two-month period than Statistics Canada reports; the other, which is more likely and more realistic, is that the members on that side of the House really do not know how many small businesses exist, be they incorporated or unincorporated.

The point I make is an important one. Our small businesses are in trouble. They suffer from a dramatic cash-flow problem in a climate of investment that is extremely uncertain. If the government cannot even recognize how many small businesses are in trouble, how in heaven's name do they expect to help them? I guess that is why the Treasurer in his budget speech predicts that only 60,000 small businesses may gain some benefit from the provisions of this bill.

I also want to talk about the fact that there is no doubt small businesses are probably the only ones who have gained from the budget. Of course, the contradiction there is that they are also going to be faced with the expansion of the base of the retail sales tax and so on. But a two-year tax break has been granted the small business, a move that the government suggests will cost the revenues of the province some \$250 million.

As you know, Mr. Speaker, the time provided in the bill is not necessarily one that fits the fiscal year of most incorporated businesses. I am told the fiscal year of most incorporated businesses runs from January 1 to December 31. It has been suggested to me, and I think it is something the government should look at, that the tax holiday, if we can call it that, should really have extended back to January 1 of this year to give those businesses the needed cash flow and the money they really require immediately.

**The Deputy Speaker:** I am having a difficult time between listening to your colleagues here on the left and listening to you.

**Mr. T. P. Reid:** I must say I am having a little difficulty as well.

**The Deputy Speaker:** Show some respect for the only Liberal-Labour member in the Legislature, please.

**Mr. T. P. Reid:** Thank you, Mr. Speaker. I am sure it will last for all of 20 seconds.

On closer examination, this program may do

nothing more than widen the gap between the successful small business and the sinking one. Since this act is geared towards eliminating income tax, it will not do a bit of good for the small businesses that need help the most, those in a loss position. It is too bad this move came too late for the record number of businesses in the province that have already failed this year and in recent years.

Unless the business is already making money and is therefore prospering somewhat in harsh economic times, this budgetary measure will not mean a thing. While 60,000 Ontario businesses may profit from this break, something like 90,000 will not. A further 10,000 make income from other means such as investments, and while they will not benefit from this move either, at least they are not suffering like the 90,000 who lose out from this budget.

I am afraid the only thing that might help the remaining businesses is interest rate relief, a program which we propose and a measure which the Tories refuse to implement in spite of the fact that as businessmen they must know it is the only effective means of dealing with this problem.

Before I discuss the technical aspects of Bill 114, I would like to direct some attention to an article in the *Globe and Mail* of May 31, 1982. The article is entitled, "Small business is kept waiting for assistance," and it blasts the federal government for taking its time in introducing policy changes to assist the small business community. It seems this government has tended to follow suit. Let me explain.

In the budget, and specifically in this bill, qualifying corporations have been allowed to apply for a refund of any instalment already paid with respect to the exemption period that is in excess of the amount of the revised tax for the year. The Treasurer has made reference to the fact that 30,000 small businesses could apply for refunds. As of several hours ago this afternoon, only 2,700 had made that application. Of those 2,700 firms, members may ask how many have received their refunds. The answer, as of this afternoon, is—guess what, George? Guess how many?—none, zero.

**Hon. Mr. Ashe:** If you had not talked for all those hours, we might have had this done.

**Mr. T. P. Reid:** Oh, come on. That is as silly a thing as the minister has said. Our small businesses have been kept waiting. At a time when small businesses in this province require investment finances in cash, this province is holding the cheques. Although I realize that about 1,600



cheques representing some \$6.1 million will be in the mail by Thursday, for some that may already be too late.

As I said earlier, this bill represents the cornerstone of this government's budgetary legislation. Section 1 of the bill is more or less a technical housekeeping amendment. It closes a loophole of which presumably a number of corporations were taking advantage. The only difference between this and subsection 12(6) of the Corporations Tax Act, chapter 97 of the Revised Statutes of Ontario, 1980, is the addition of the phrase, "and that has included that amount in computing its taxable income earned in Canada."

In essence, this section allows royalty payments to be included as income earned by a corporation in Canada. I have spoken in the past of the contradictions of the budget and this is another example. On the one hand, the government closes a loophole to increase its revenue, while on the other hand it provides a two-year tax exemption for small businesses eligible for the deduction from tax under subsection 125(1) of the Income Tax Act (Canada). If the government is truly interested in or concerned with assisting small businesses of this province, why does the government wish to increase their taxable income?

I have stood in this House and made reference to the fact that this government is not willing to release the background studies which were supposedly conducted during the development of this budget. The answers I received on the Order Paper were the same, and I quote: "In the interest of budget security, I feel it would be inappropriate to table background studies, calculations and memoranda that relate to the formation of budget policy."

If this were question period, I would ask the Treasurer or the Minister of Revenue how they arrived at this figure of \$250 million. Does it include the number of small businesses which will defer making capital cost allowance claims until after the tax holiday? Does it include the number of small businesses which will delay payment of deductible business expenses during the period as a means of reducing taxable income in the post-exemption period? Does it include those small businesses which will shift additional income into the two-year period, a practice that would have the effect of increasing the company's income for the low-tax period?

**9:30 p.m.**

I do not know the answers to these questions, and from the Treasurer's answers I am sure he

does not know either. We want to know what constitutes that \$250-million decrease in revenues to the province and, presumably, the \$250-million holiday to small business.

The declaration of a two-year tax holiday on the 10 per cent Ontario income tax for small incorporated businesses is expected to assist some 60,000 firms in Ontario. In effect, this means that such companies, those earning active business income of less than \$200,000 in a single year up to a lifetime total of \$1 million, now have to pay only 15 per cent federal income tax rather than the combined federal-provincial tax of 25 per cent.

Section 2(2) of Bill 114 increases the eligible active business income from \$150,000 to \$200,000 to keep it in line, as the minister indicated in his opening statement, with a change brought about by the federal government under section 125 of the federal Income Tax Act. The Ontario government could have increased the eligible income level to \$250,000 or \$300,000 if it was really keen on assisting our small business community.

In essence, Bill 114 provides a tax holiday for the 60,000 winners, to use the Treasurer's own words, while providing no assistance whatever to those businesses that are not making a profit and are on the verge of bankruptcy.

Is this government willing to take the risk of losing more than 100,000 small businesses in almost every sector of the economy and assisting only those that are currently making a profit? A lot of those probably will not be making much of a profit the way things are going.

The Treasurer's budget included the statement that this measure was being taken "in order to improve the confidence of small business people, to give them the incentive, desire and resources to weather the economic storm, to improve productivity through investment and, most important, to continue to preserve and create jobs."

Jobs and the maintenance of jobs are a main objective of this tax holiday. Even if the 60,000 businesses that may benefit from this tax change created jobs, the numbers created would not replace the jobs this government has lost by turning its back on those corporations that are not earning a profit at present.

When I assume, as the government does, that this will in turn create jobs in the private sector, both the government and I are on shaky ground. Let me bring to members' attention a survey conducted by the Canadian Federation of Inde-

pendent Business, which represents some 64,000 small businesses. The federation's latest biannual business survey was conducted on May 31 of this year, 18 days after the budget, and still the majority of respondents expected to lay off more workers this year. Eighty per cent believe economic conditions this year will remain as bad or worsen, and 76 per cent report a reduction in profits as a result of high interest rates.

I suggest that the number of jobs created by this two-year tax holiday will not be substantial, since the crucial factor continues to be high interest rates. Bill 114 does nothing to attack the problem of high interest rates. Bill 114 does nothing to assist the 90,000 businesses that are not paying corporate income tax at present. Bill 114 does nothing to assist the 80,000 unincorporated small businesses in weathering the economic storm.

We in this party are not suggesting that everybody in business or otherwise should be bailed out of their problems, but we do feel that those who are suffering and can show that their problems are due solely or almost completely to the high level of interest rates in the province should be assisted.

We are also concerned that these figures may be based on economic information that at best is rather simplistic and vague. As I have already stated, we have been in touch with the people in Treasury and the people at Revenue. Those people presumably are the highly paid experts on the staff of the Minister of Revenue. The figure used as a basis for the budget was based on the total amount of corporate tax paid by small businesses in 1980, with an inflation adjustment of 10 per cent per year to put it in the right perspective. With that kind of unrealistic and simplistic reasoning, how does the Treasurer expect the general public to believe that he and his government are capable of properly managing the public purse?

As I have already indicated, there is going to be a lot of shifting around of income, a lot of putting off of some capital investments and a lot of fiddling to take advantage of this tax holiday. We will be interested in seeing what happens, because we find that this is one of the few measures in the budget that makes any attempt to help anybody. Almost every other single thing in the budget is punitive at a time when everybody from the individual at the lowest end of the economic order to the highest is suffering, being punished again by the Treasurer's budget through the sales tax and other things; but this is one small beacon of light in the whole budget.

We on this side are appalled at the unprofessionalism of the way the budget was put together, at the economic factors on which these figures in the budget have been produced and at the simplistic thinking on the complexities of the economic order in Ontario that they can pluck 60,000 out of the air and just take the \$250 million, which was the corporate tax paid in 1980, simplistically add a factor of 10 per cent for inflation and figure that they are going to come to anything that is really going to be anywhere within the realm of economic reality.

Unfortunately, it is the best we have, and we will be supporting the bill, although we may have some further things to say about specific portions of it during clause-by-clause consideration.

**Mr. Breaugh:** Mr. Speaker, again we will oppose this legislation, though the temptation is there to take a rather superficial look at it and say, "Well, it is the only positive step," if one has a perspective on life that sees this kind of stuff as a positive step in a bad budget. It does not deserve the support of the opposition parties, and it does not deserve the support of the government either.

I want to spend some time responding to the Minister of Revenue, who is not listening—but, then, even when he listens he never seems to hear—because I think it is reasonable to say, as he just said on the bill, that he does not understand this budget from an ordinary human being's point of view. It is a sad admission on the part of the Minister of Revenue that he does not understand an ordinary person's viewpoint on his budget.

It is quite another matter to have him say: "I understand that the poor, the small business people and the small industries in our community have a lot of problems these days. We understand what those problems are, but we had to make some difficult choices. We had to establish some priorities; we had to choose some things we would do." By its very nature, putting together a budget means that one does choose some things over others. But it is a sad admission to hear the government minister responsible admit that he does not understand and, more than that, that he does not care that he does not understand and, even more than that, that he is not prepared to listen or to try to understand.

The minister is saying essentially that he does not give two hoots for the people his taxation measures affect; he is not even interested in listening to the arguments; he is beside himself.



Is it any small wonder, then, that Queen's Park Crescent every once in a while gets filled with people, as it did in response to this budget by the people who run little coffee trucks, and that they are mad as hell because the minister does not understand what he is doing and does not even care? That is a cold and callous admission on the part of the government.

**9:40 p.m.**

I understand that for somebody like the Minister of Revenue it probably is an attractive piece of business to sit around in a large office and listen to well-informed and eloquent staff people provide him with advice. It probably is seen as his duty, whether he likes it or not or whether he agrees with it or not, to carry out taxation measures announced on budget night by the Treasurer.

I know the Minister of Revenue reasonably well. I would say he has a devotion to the Tory party which is somewhat akin to a puppy dog to its master: he would do it right, wrong or whatever. He would see that as his duty. He is a lemming in that respect. He goes over the cliff, no questions asked. That is what he was told to do and over he goes.

I have no real regrets that this is his personal attitude towards things, but it is sad to see a minister of the crown, in the course of discussing legislation such as we are tonight, frankly say: "I do not care. I do not understand the arguments from the opposition side. I am not worried about that, and I am not even going to respond to it." That is a sad admission.

One of the things a government is supposed to do is to make the hard choices that have to be made. It is also a government's responsibility to understand the impact of those choices on everybody in this society. Here we are in the middle of a budgetary process when all sides admit there are hard times. Things are not easy. We are discussing the bill which identifies the group that gets the goody this time around the block. On face value, and perhaps the colleagues to my right did it this way, they identified who got the goody and attempted to get on side with the giving of the goody this trip around the block.

One thing I find the people of Ontario are beginning to understand is that this government has a repertoire of stunts it uses with amazing regularity, and particularly budgetary stunts. The essence of this bill is this year's expression of that stunt. It is simply that somehow they have learned that one can take money from the people of Ontario regularly in a wide variety of

ways. They do that consistently, day by day, through a thousand and one different sources in a thousand and one different ways, in big ways and small ways.

On the other side of the coin, they give back some money. At the beginning of that process, they are careful to camouflage who is taking the cookies out of the jar; they want somebody else to do that. At the end of the process, they want to identify carefully who is giving back the three crumbs this week. There then will be a great announcement by the Treasurer, as there was in the instance of this legislation, that he is giving somebody a tax holiday. I noticed the Minister of Revenue used that term again tonight.

Under what lottery system did this group get identified as the group that has the tax holiday this year? They have almost convinced a number of people that somehow it is fair, decent, reasonable and honourable to take \$20 from one if at some point they give back \$2. That is the technique at work with this piece of legislation: to take as much as one can, as often as one can, as regularly as one can and not get caught doing it; then every once in a while to give back a nickel, a dime, send a cheque or make some grand announcement. It does not matter that they get the money, or that it is fair, or that they really do not know who they are helping or why or how. It is a lottery system. Every once in a while somebody wins.

It is the same basic principle the government uses in its lotteries. It does that as well. It advertises widely and well. It gets as many people as it can to sell the tickets. The fact that maybe one person in two or three million wins something once in a while is beside the point. That is essentially what this is. This is a crap game with small business: some will win, most will lose.

While they are at it, while they are giving this tax holiday to small businesses, what else are they doing? What are the other factors at work there? I have had the opportunity to talk to a number of people who are running small businesses these days, and they are looking at the budget that is currently before the House and saying: "I don't care what kind of tax holiday is here; they are driving me out of business. They are making me a tax agent more than anything else. They are putting tax measures in place which will drive my business down. And if my business is marginal anyway, I will not be around to have a tax holiday; I will be long gone, and so will my attempts to keep my business in operation and my family revenue in

shape." So this tax holiday in many cases will not be one that will do a great deal for anybody.

I want to point out that I thought we had heard the Treasurer say that he cared a great deal about small business. I thought I also heard the Minister of Revenue and several other ministers say that the Tories in Ontario care about small business. Mr. Speaker, take a look over there and see how many care about small business. One can see five Tories in this House tonight while we are conducting the debate on this bill. If they care, they sure as hell do not show it by their attendance in this Legislature. If they care a great deal, I would tend now to ask you, Mr. Speaker, to look about and see if you can find a quorum in this House. I am not sure you can, can you?

**The Deputy Speaker:** We will find out in a minute.

The Deputy Speaker ordered the bells to be rung.

9:51 p.m.

**Mr. Speaker:** We have a quorum.

**Mr. Breagh:** Mr. Speaker, I must say I am a little disappointed that it was necessary to point out to the chair that there were not very many government members in here this evening. I had thought an agreement had been struck and some importance was being given to the Legislature itself, that there was some sense of urgency and we wanted to move through these bills.

Quite frankly, on this side, particularly in my own caucus tonight, I have attempted to keep the debate pertinent and not long. During the course of the day I have attempted to make sure our members who wanted to speak to bills had an opportunity to do so, but that we did not carry the debate on at great length. We asked members to get up and make their points as succinctly as they could, and to proceed with the legislation.

I thought that during the course of this evening, for example, we covered about as much legislation as we did in many weeks at the beginning of this session. I thought that was a reasonable way for us to proceed, but part of the reasonableness was that the government members ought to be in this chamber. There is a responsibility on their part as well to be present for debate.

**Hon. Mr. Leluk:** Your members ought to be in this chamber for debates. There have been evenings when only two of your members have been present in the House.

**Mr. Breagh:** I hear the Minister of Correctional Services objecting to having to be in the Legislature. I think that is strange.

**Mr. Speaker:** Order. These are very interesting observations, but I ask the member to direct his attention to the bill.

**Hon. Mr. Gregory:** Stop being a jerk and get on with it.

**Mr. Breagh:** I am sorry, Mr. Speaker, but when I hear the government House leader say that obeying the standing orders of the House and paying some attention to the legislative matters that are before the House somehow can be construed as making one a jerk, I cannot resist saying that I think that is a bit much.

I understand that maybe you, Mr. Speaker, cannot hear him from the chair up there but, oddly enough, his voice seems to carry to this side of the House rather well. I take some exception to that. If we want to get into a debate at that level I am prepared to do so. I have a vocabulary that can match that of the government House leader at any level he cares to debate. If that is his version of parliamentary discussion, we can have that, no problem.

**Mr. Cooke:** What does he care about the bill? He was not here.

**Mr. Martel:** He is not prepared to withdraw his remark, though.

**Mr. Speaker:** Order.

**Mr. Breagh:** Mr. Speaker, I am prepared to continue with the debate, but I am having a difficult time deciding whether I prefer to have no Tories in here, when it strikes me they are not following their parliamentary obligations, or to have this crowd in here discussing among themselves.

**Hon. Mr. Grossman:** Or no leaders.

**Mr. Breagh:** If the Minister of Health wants a debate, all he has to do is stand up and the Speaker will recognize him.

Interjections.

**Mr. Speaker:** Order. Now back to the bill.

**Mr. Martel:** Aren't you going to make him withdraw the word "jerk"?

**Mr. Cassidy:** Just because they have to come in and do their jobs for a change.

**Mr. Speaker:** Order. The member for Oshawa will continue on Bill 114.

**Mr. Breagh:** I am concerned that this type of legislation, this approach to a taxation measure, has a bizarre twist to it. That this is the government's response to the needs of people



who run a small business is a concept that runs contrary to anyone else's clear identification of their needs. It is fairly clear that one of the ruinations of people who are trying to operate our smaller businesses is the same one that is having a massive effect on our larger businesses as well. It is an across-the-board problem with the economic times we are in. People do not have purchasing power and have to take a consumer's point of view in buying articles and financing them at high interest rates, not the point of view of small businesses.

**Mr. Speaker:** Will the honourable members please curtail their private conversations? Would the member for St. Catharines (Mr. Bradley) please resume his seat, and would the member for Grey (Mr. McKessock) and all the other honourable members please resume their places? The member for Oshawa has the floor.

**Mr. Breagh:** The bill does not talk about or deal with the problems of people running a small business. The basic problem of someone running a small business, such as keeping inventory on the shelves, is not resolved by this. The fact that people are buying less is not resolved by this. The fact they are having difficulty with their carrying costs and just staying in operation is not resolved by this legislation. This legislation is a bit of a cookie that is given to a select few; a tax holiday with lots of conditions attached is offered to them. It does not address itself to most of the people in my community or the community of anyone who would think of himself as being—

Interjections.

**Mr. Speaker:** Order. Proceed, please.

**Mr. Breagh:** I want to proceed, and I would like to have a debate on this bill this evening. I thought we were being lectured at some length for holding up legislation and not dealing with it. We are here tonight to deal with it, and it is difficult, without being too sensitive about the matter, to talk to the Minister of Revenue (Mr. Ashe), who likes to whisper in the ear of the Treasurer (Mr. F. S. Miller) while these bills are being debated. It is difficult on this side of the House to give serious attention to legislation if the ministers who are taking the legislation through the House do not care to give it that kind of attention.

This bill is illusory because it offers to the public at large the concept that somehow somebody is winning in this process, that somehow there will be a tax holiday provided to certain citizens. Then one looks at the fine print of the

bill and asks: "Will that do something for people who run the store in my plaza? Will it do something for the small industries in my community and in other communities?"

The facts are that it probably will not. The government is now laying down the conditions under which this legislation will become effective. For many of those people, all they have offered to them is another expenditure in that they have to become incorporated. They may not want to do that; they may not have done it until now because it appeared not to be necessary. But to qualify for the exemptions that are provided for under this legislation, that is a requirement. That is an immediate and additional front-end cost to their business. The last thing they need now is some additional costs. Yet, to qualify under this proposal, they will have to meet that cost.

I want to talk briefly about some of the information which was given to the members. The standing orders of the House require that a compendium be provided with the bill. In this case we are given explanatory notes, one document which is part of what will be printed in the bill, and a book entitled Ontario Corporation and Income Tax Legislation, 1982. That is the sum total of the background information provided to opposition critics, which is supposed to give us all the reasons that are there.

10 p.m.

On another piece of legislation this afternoon, the Treasurer said: "You can read the budget. It is somewhere in there." I think that is a long way from what this House had in mind when it said they are to put together a compendium of relevant information and present it with the legislation.

The purpose of the exercise was to try to get this Legislature to deal with pieces of legislation. All parties would not have equal footing on it. We acknowledge the government is not going to publish, put on the table and give to the opposition members a top-secret document showing its innermost plans, thoughts and desires.

**Mr. Wrye:** Like a Goldfarb poll.

**Mr. Breagh:** Yes, like a Goldfarb poll. On this bill, I think it is reasonable that the government, opposition critics and the public at large ought to have the same set of numbers about how many people will benefit by this legislation. It is asking a great deal to expect opposition members, the public and anybody else, for that matter, to accept one minister's word as to how many people will be affected by it.

There is an obligation on the part of the government to fulfil the requirement of the standing orders which says we are to be given some background information. I do not think any of us expect all that information flow is going to happen. We probably do not want it, but there are relevant pieces of information that could have been provided with this legislation and other bills we have looked at that would have been useful to opposition parties, to the Legislature as a whole and to the world, for that matter, to establish the framework in which legislation like this was put together.

For example, how did the government identify the group which will be assisted by this? What are the criteria that are put together there? How come this group is worthy of a tax holiday? To show the problem we have with this, the minister and the Treasurer are not providing a tax holiday for all small businesses in Ontario. We should be clear about that. They have set their criteria, made their choices and established their priorities.

In trying to deal with this legislation, it would be useful to have the priorities that were established. How is it that this target group is going to do more good than another target group? In going through the sorting process of who will get this kind of tax holiday, how is it that they arrived at the definitions provided in this legislation? I do not understand why that would be seen as a threat to the government.

In the process of looking at this bill, it is important to look at two or three really important criteria. One is, does this legislation move to assist, in large measure, groups in our society which now need assistance? Many of us would argue that the corporation world, large and small, needs assistance, but a priority would be ordinary citizens who may well have deserved a tax holiday more than any other identifiable group in our society.

It is difficult for me to rationalize why charitable groups and groups that put on dinners and functions of that nature are now seen to be a suitable target to collect a retail sales tax from, and why it is that lower-cost meals have to be taxed and it is essential that government does that as a priority. In the middle of all these hard times in economic terms, in the middle of all this great requirement for cash on the part of the Ontario government, one group, not small business as an entity but one identifiable group within the small business world, gets a tax holiday.

It is hard for me to judge. Frankly, it is not

possible for me to judge whether they have identified the right group, the wrong group, whether that is fair or unfair, and whether it is going to do what the Treasurer wants it to do, because I have no idea on what basis that legislation was put together.

I have pieces of paper that I suppose the Speaker would rule fulfil the requirement for a compendium of background information. I can hold the document in my hand, but by no stretch of the imagination does it lay out for me as an opposition critic, or for anyone else who might be interested in qualifying for this legislation or examining its effectiveness now or at a later date, the criteria upon which this legislation is established.

I suppose it is strange to be opposing a tax holiday for anybody. If we were Liberals in this caucus, we would take the point of view that as long as somebody is getting a break somewhere, we should not question whether that person is actually getting something that is going to do him any real good in the long run; we should be satisfied that all around us is misery, but that is okay, because somebody has a tax holiday going for him.

I am not prepared to accept that. I think there is an obligation on the part of the government to provide coherent policies in the budgetary process to correct the things that are wrong in our economy.

This is a nice thing for some people, but it does not address the real needs of small business or of anybody else. A taxation process that is based on the simple principle that one can take money regularly and consistently from the public and from the business community, small and large, and that every once in a while it is good enough to give them a little cookie, a goody of some sort, good enough to give somebody somewhere at some time a tax holiday and that is sufficient in terms of providing legislation and a budget, I think is quite wrong.

It would be about as wrong, and it is based on exactly the same principle, if the government of Ontario got into a new lottery business and said that instead of Lottario, Super Loto, new Chevs and cars to give away, somehow we would devise a lottery system in this province whereby one can pay \$5 as a tax measure and somebody out of the eight million people in this province will win a tax holiday. That is essentially what this legislation proposes. By a lottery system, it is the turn of the people identified in this bill, supposedly some 60,000 small businesses, to



win. I would not mind so much if there were a clear winner to this proposition, but there is not.

These people are going to be hurt by other measures the Treasurer proposed in his budget, specifically the extension of the retail sales tax. In many ways, they will be victims and winners at the same time. Those who survive the process may well come out of this on balance with something that will be to their credit and will do them some good. However, I suspect on balance the opposite will be true and nobody will win. There will be no winners out of this proposition.

This bill does not do what it purports to do. It does not provide much of anything to small business in this province. It is true there will be some identifiable winners. Those lucky people will probably get from the Minister of Revenue, and I suspect from the Treasurer, something that clearly identifies that the Tories in Ontario are doing something. Never mind what, never mind whether it works, they are at least alive and well and mailing out cheques or refunds or statements to somebody somewhere.

Conversely, the tobacco tax bill was a clear move to go underground and camouflage who is taxing whom in that situation. I suspect the mole will come out of the ground on this particular bill. There will be a great movement afoot to identify that the Tories in Ontario are giving the public back some of the money they took away in previous times, at least to some. It would not surprise me to see a major advertising campaign around this concept.

I pray small business people will not be subjected to the same kind of misery as our senior citizens were with the senior citizens' property tax grant. They deserve better than that. I would not wish that program on them. Unfortunately, this one will be administered by the people who brought us the Pearl Harbour of tax exemptions for senior citizens, so there is not much chance that it will be a very effective ministry all of a sudden.

I regret that the bill does not do what it states it will try to do. I regret that it will not do very much for our economy. I regret that it will not do much for small businesses that are hurting. I regret that it will not address itself to the problems of the economy or small business, or the consumer, or anybody else.

This bill, of all the bills we have discussed tonight, is a very political bill. This is one which is clearly designed to make the Big Blue Machine look good, at least temporarily, in Ontario. We

cannot and we will not support legislation such as this.

**10:10 p.m.**

**Mr. Roy:** Mr. Speaker, I would like to make a few comments about Bill 114. Prior to doing so, I must say I have tried, especially since 1981, to concentrate on the fact that my colleagues to the left are not the enemy; the enemys across the way. But there are times when the convolutions from that side just become so overwhelming that I have some difficulty in restraining myself from making a few brief comments about the last member who spoke about Bill 113.

First, I listened to the comments from the member for the New Democratic Party, and as I understand it they are going to vote against a bill which will impose a tax on large corporations. They are voting against this. Bill 114 is going to give an exemption to small businesses and they are going to vote against that as well, so I have some difficulty following the principle of the party.

Why would they not want to take money away from TransCanada PipeLines and people like that? Why would the party on the left not want to give some sort of a break to small businesses in Ontario? I have some difficulty. It is as convoluted as the critic himself who at one point thought it was too quiet and called for a quorum, filled the House up, and then complained there was too much noise. There is some confusion. I suppose it is normal at this time on Tuesday night to have that sort of problem.

As my colleague the critic of our party said so succinctly and so well in his comments at the opening of this bill, our concern is that the bill does not go far enough. Although I am pleased to see that the Treasurer is here this evening, I was somewhat disappointed in his response to a question concerning aid to small business this afternoon. The question was if he really wanted to help small business, why did he not proceed to give relief by way of some exemption or assistance as far as the interest rate is concerned?

As my colleague for Rainy River has said, in the present legislation there will be some 90,000 incorporated small businesses which will not get any assistance from this legislation because they will not be paying any corporate tax, so the suggestion made by my colleague was that the aid should have come by way of interest rate reduction or some type of rebate on the question of interest rates, rather than on the corpo-

rate tax which they will not be paying so it will not be helping them.

On that point alone, we feel the bill does not go far enough. This is not idle speculation. One reads in the financial pages every day about small corporations whose debt load is much too high because of interest rates. Just this morning I was reading in the financial pages of the *Globe and Mail* that a few years ago the usual debt load of a corporation was about 25 per cent of its revenue. In most corporations it has now reached a point over 70 per cent.

There will be 90,000 incorporated small businesses that will not be getting any assistance from this legislation because they will not be paying any corporate tax. The other point is this, and we raised it again this afternoon, that some 80,000 unincorporated small businesses will not be getting any assistance because they happen to be unincorporated. In all the communities out there, there are a lot of people in business who have not incorporated. Today, more and more small businesses are not incorporated because there is no financial benefit to doing so. One of the incentives—

**Mr. Speaker:** It being 10:15 p.m., I have to call the honourable member to order.

**Mr. Roy:** Why?

**Mr. Speaker:** Your time has expired.

**Mr. Roy:** Mr. Speaker, I was just going to say something, that even the Attorney General (Mr. McMurtry) was—

**Mr. Speaker:** Order. Would you adjourn the debate, please?

Interjections.

**Mr. Roy:** Mr. Speaker, if that is the agreement, that is the agreement.

**Mr. Speaker:** So I am told.

**An hon. member:** He said to adjourn the debate.

**Mr. Roy:** Yes, but it is only 10:15 p.m. What is the—

**An hon. member:** Yes, but we have to vote.

**Mr. Roy:** Mr. Speaker, I will move the adjournment of the debate.

**Mr. Nixon:** Mr. Speaker, you are entirely correct. The agreement does not necessarily control your actions, but it is true there is an agreement among the House leaders of the three parties that the bills would come to a vote tonight. If the House leader of the government would like to proceed with the minister's response,

I am sure my colleague would not stand in the way of that.

**Hon. Mr. Gregory:** If the honourable member who moved adjournment of the debate would perhaps sit down and allow the minister to complete his remarks, that would be in line with the agreement.

**Mr. Martel:** Mr. Speaker, that is not what was agreed to. We agreed to vote on those bills on which second reading has been completed. At no time did we agree we would terminate the debate on this particular bill. In fact, if one looks at the orders for tomorrow, we have indicated that if we do not finish the Revenue bills we will go back to those tomorrow. We can spend until 10:30 p.m. arguing the pros and cons of it, but we will not make any progress. We agreed to vote on those bills which we had concluded at this time. I think this is the last one. We have agreed to go back to it tomorrow and finish it up, give third reading tonight to one bill and, in addition to that, do the clause-by-clause study tomorrow in committee. I would hope we would be prepared to do that.

**Hon. Mr. Gregory:** If the House leader of the third party has additional speakers, perhaps he has a valid point.

Interjection.

**Hon. Mr. Gregory:** You do have—suddenly, out of the blue? Good.

**Mr. Martel:** I want to indicate we have a number of speakers. The member for Oshawa was the first speaker from this party on that particular piece of legislation.

**Hon. Mr. Gregory:** He has already spoken.

**Mr. Martel:** He has spoken, but we have a couple of other speakers. We said we would take the normal course to debate the bills, but if he thinks we are going to short-circuit to the point where we get one speaker on a bill, there is something totally wrong.

On motion by Mr. Roy, the debate was adjourned.

10:25 p.m.

#### ONTARIO LOAN ACT

**Mr. Speaker:** Mr. F. S. Miller has moved second reading of Bill 111, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund.

The House divided on Hon. F. S. Miller's motion, which was agreed to on the following vote:



**Ayes**

Andrewes, Ashe, Baetz, Barlow, Bennett, Bernier, Birch, Brandt, Cousens, Cureatz, Dean, Drea, Eaton, Elgie, Eves, Fish, Gillies, Gordon, Gregory, Grossman, Harris, Havrot, Henderson, Hennessy, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Kerr, Kolyn, Lane, Leluk, MacQuarrie, McCaffrey, McCague, McLean, McMurtry, McNeil, Miller, F. S., Mitchell;

Norton, Piché, Pollock, Pope, Ramsay, Robinson, Rotenberg, Runciman, Scrivener, Sheppard, Shymko, Snow, Stephenson, B. M., Sterling, Stevenson, K. R., Taylor, G. W., Taylor, J. A., Timbrell, Treleaven, Villeneuve, Walker, Watson, Welch, Williams, Wiseman, Yakabuski.

**Nays**

Boudria, Bradley, Breagh, Breithaupt, Bryden, Cassidy, Charlton, Conway, Cooke, Cunningham, Di Santo, Eakins, Edighoffer, Elston, Epp, Foulds, Grande, Haggerty, Johnston, R. F., Kerrio, Laughren, Mackenzie, Martel, McKessock, Miller, G. I., Newman, Nixon, Reed, J. A., Reid, T. P., Renwick, Riddell, Roy, Ruston, Samis, Stokes, Swart, Sweeney, Van Horne, Wildman, Worton, Wrye.

Ayes 67; nays 41.

Third reading also agreed to on motion.

### PROVINCIAL LAND TAX AMENDMENT ACT

**Mr. Speaker:** Mr. Ashe has moved second reading of Bill 113, An Act to amend the Provincial Land Tax Act.

The House divided on Hon. Mr. Ashe's motion, which was agreed to on the following vote:

**Ayes**

Andrewes, Ashe, Baetz, Barlow, Bennett, Bernier, Birch, Boudria, Bradley, Brandt, Breithaupt, Conway, Cousens, Cunningham, Cureatz, Dean, Drea, Eakins, Eaton, Edighoffer, Elgie, Elston, Epp, Eves, Fish, Gillies, Gordon, Gregory, Grossman;

Haggerty, Harris, Havrot, Henderson, Hennessy, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Kerr, Kerrio, Kolyn, Lane, Leluk, MacQuarrie, McCaffrey, McCague, McKessock, McLean, McMurtry, McNeil, Miller, F. S., Miller, G. I., Mitchell;

Newman, Nixon, Norton, Piché, Pollock, Pope, Ramsay, Reed, J. A., Reid, T. P., Riddell, Robinson, Rotenberg, Roy, Runciman, Ruston, Scrivener, Sheppard, Shymko, Snow, Stephenson, B. M., Sterling, Stevenson, K. R., Sweeney;

Taylor, G. W., Taylor, J. A., Timbrell, Treleaven, Van Horne, Villeneuve, Walker, Watson, Welch, Williams, Wiseman, Worton, Wrye, Yakabuski.

**Nays**

Breagh, Bryden, Cassidy, Charlton, Cooke, Di Santo, Foulds, Grande, Johnston, R. F., Laughren, Mackenzie, Martel, Renwick, Samis, Stokes, Swart, Wildman.

Ayes 91; nays 17.

Ordered for committee of the whole House.

### TOBACCO TAX AMENDMENT ACT

**Mr. Speaker:** Mr. Ashe has moved second reading of Bill 112, An Act to amend the Tobacco Tax Act.

The House divided on Hon. Mr. Ashe's motion, which was agreed to on the following vote:

**Ayes**

Andrewes, Ashe, Baetz, Barlow, Bennett, Bernier, Birch, Brandt, Cousens, Cureatz, Dean, Drea, Eaton, Elgie, Eves, Fish, Gillies, Gordon, Gregory, Grossman, Harris, Havrot, Henderson, Hennessy, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Kerr, Kolyn, Lane, Leluk, MacQuarrie, McCaffrey, McCague, McLean, McMurtry, McNeil, Miller, F. S., Mitchell;

Norton, Piché, Pollock, Pope, Ramsay, Robinson, Rotenberg, Runciman, Scrivener, Sheppard, Shymko, Snow, Stephenson, B. M., Sterling, Stevenson, K. R., Taylor, G. W., Taylor, J. A., Timbrell, Treleaven, Villeneuve, Walker, Watson, Welch, Williams, Wiseman, Yakabuski.

**Nays**

Boudria, Bradley, Breagh, Breithaupt, Bryden, Cassidy, Charlton, Conway, Cooke, Cunningham, Di Santo, Eakins, Edighoffer, Elston, Epp, Foulds, Grande, Haggerty, Johnston, R. F., Kerrio, Laughren, Mackenzie, Martel, McKessock, Miller, G. I., Newman, Nixon, Reed, J. A., Reid, T. P., Renwick, Riddell, Roy, Ruston, Samis, Stokes, Swart, Sweeney, Van Horne, Wildman, Worton, Wrye.

Ayes 67; nays 41.

10:40 p.m.

**Mr. Speaker:** Mr. Ashe moves third reading of Bill 112, An Act to amend the Tobacco Tax Act.

**Mr. Martel:** I want it to go to committee.

**An hon. member:** Carried.

**Mr. Speaker:** All those in favour of third reading of Bill 112 will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

**Mr. Martel:** I said "committee." The Speaker is out of order. Send it to committee.

**Mr. Foulds:** Mr. Speaker, one of our members requested that the bill go to committee. The rules of the House do not allow it to go to third reading if one member requests it to go to committee.

**An hon. member:** Nobody stood up.

**Mr. Foulds:** The members do not have to stand up for it to go to committee.

**Mr. Speaker:** Order.

**Mr. Nixon:** On a point of order, if I may, Mr. Speaker: Perhaps the member would withdraw the motion for third reading and we can deal with this when we return to this matter tomorrow, the next day or sometime. It is actually after the adjournment time, so why does he not just withdraw it?

**Hon. Mr. Gregory:** Mr. Speaker, I voiced across the room and visited the House leader for the Liberal Party and the House leader for the New Democratic Party and asked them if they had any objection to third reading on this particular bill. They both said: "No, go to third reading. That is fine." What has happened?

**Mr. Martel:** Mr. Speaker, on a point of order: The House leader asked for third reading of only one bill this evening.

**An hon. member:** That was Bill 111.

**Mr. Martel:** He should not tell the House that. He came over to this side of the House and asked us for approval to move to third reading on only one bill and that was Bill 111.

**Hon. Mr. Gregory:** I asked for third reading of the Tobacco Tax Amendment Act. Even the member for Sudbury East could not make that mistake.

**Mr. Speaker:** Order. Would the Minister of Revenue withdraw his motion, please?

**Hon. Mr. Ashe:** Mr. Speaker, so we will not upset anybody, I would be happy to withdraw the motion for third reading and it can be brought back in tomorrow at the request of the House.

**Mr. Speaker:** Is that agreed to?

**An hon. member:** No.

**Mr. Speaker:** Order. Mr. Ashe has withdrawn his motion for third reading. Can we have an indication of the disposal of the bill? Will it be committee of the whole House?

**An hon. member:** No.

**Hon. Mr. Ashe:** Mr. Speaker, we should just leave it on the Order Paper for third reading at another session.

**Mr. Speaker:** Thank you. Mr. Ashe has withdrawn the motion for third reading.

**Mr. Martel:** Then it is going back to committee.

**Some hon. members:** No.

**Mr. Martel:** Oh, yes it is.

**Mr. Speaker:** Order.

**Mr. Martel:** It has to go to committee. If you want to stay all night, Mr. Speaker, I am prepared, but it has to go to committee.

**Mr. Speaker:** Order.

**Hon. Mr. Henderson:** You're all alone, Elie

**Mr. Martel:** It only takes one. It can go to committee. If you want to make a mess out of it, fine.

**Mr. Speaker:** Order. If the bill—

**Mr. Martel:** No bells at all.

**Mr. Speaker:** I did not say "bells." I said if the bill is not ordered for third reading then it must go to committee.

**Mr. Martel:** Right.

**Hon. Mr. Ashe:** Committee of the whole House, Mr. Speaker.

Ordered for committee of the whole House.  
The House adjourned at 10:45 p.m.



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Ontario, LEGISLATIVE ASSEMBLY

No. 84

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Wednesday, June 23, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Wednesday, June 23, 1982

The House met at 2 p.m.

Prayers.

## HOME HEATING COSTS

**Mr. Swart:** On a point of privilege, Mr. Speaker: I wonder whether you would intervene with Management Board of Cabinet on my behalf and on behalf of the other members of this caucus to get an answer to the appeal we made more than three months ago against the excessive increase in rates of home-heating gas.

**The Acting Speaker (Mr. Cousens):** That is not a matter of privilege. It comes up in question period.

## STATEMENT BY THE MINISTRY

### STOUFFVILLE WATER QUALITY

**Hon. Mr. Norton:** Mr. Speaker, during the past few days there have been news reports and members of my ministry staff and I have received inquiries from media concerning additional laboratory tests that have been taken in the Whitchurch-Stouffville area under the auspices of the Concerned Citizens of Stouffville.

The citizens' committee has held a press conference at which I understand the results of these sister chromatid exchange and aberration tests and an interpretation of the results, which were available in April, have been made public.

I am concerned by anything which may add to the level of uneasiness that has existed in the Stouffville community. To avoid another possible stream of misinformation or incomplete information, I wish to inform the honourable members of the background of the tests, involving six Stouffville residents, which were provided to the medical officer of health for York region and to my ministry during the last week of April.

Earlier this week I reviewed the significance of those chromosome tests with the associate medical officer of health, Dr. John Hodgkinson, with medical advisers to my ministry in the Ministry of Labour and with my staff. Dr. Hodgkinson first informed my ministry on April 26 that he had received the results of laboratory tests for chromosome changes conducted by a US laboratory on six residents of the Stouffville area.

My ministry's director of environmental approvals was advised of this information at the time he was considering his decision on the application by York Sanitation to expand its local landfill site. Members will recall that three days later I announced the director's decision to refuse the application for expanding the site and to require the company to close the existing site under conditions prescribed by my director. The director further ordered the company to provide an alternative water supply to residents in the immediate area of the landfill site.

The director, Mr. Tom Cross, consulted my ministry's medical advisers in the Ministry of Labour on the chromosome test report.

Then, on April 28, Dr. Hodgkinson and our medical advisers met with members of the families involved and with a representative of the citizens' committee to review the test results. Subsequent to this meeting, our medical experts advised the director before he confirmed his decision on the landfill site.

Our medical advisers did not and do not accept the supplementary, nonmedical interpretation of the test results provided at that meeting, since, in their opinion, the interpretation was prepared by an individual who is not qualified to interpret medical matters.

Subsequently, Dr. Hodgkinson and our environmental health advisers consulted a wide range of literature and qualified medical research authorities in Canada and the United States and found that there is no general agreement in the medical community on the significance or interpretation of this type of chromosome study as related to environmental toxins.

However, all the experts consulted did concur on the following: Our knowledge of the causes of chromosome abnormalities is incomplete; normal ranges of chromosome abnormalities are uncertain; the comparison of results from different laboratories is difficult, since each lab establishes its own normal range; pregnancy, the birth control pill, smoking and viral infections can all cause high levels of chromosome abnormalities; and, finally, all public health studies of chromosome abnormalities must use well-matched controls, be done by the same laboratory and be studied blind.

For these reasons, it was concluded that the study results were inconclusive. However, the York region health unit is considering the incorporation of this preliminary information as part of the in-depth medical study now under way in the area under its supervision.

As members know, the ministry's decision to refuse the company's expansion proposals and to require the orderly closure of the landfill site is under appeal. The company, York Sanitation, is challenging these decisions before the Environmental Appeal Board, and these hearings will begin on July 8.

The Concerned Citizens of Stouffville and individual residents in the area are entitled to participate in the hearings at the appeal and to represent their interests. I encourage them to take an active and constructive part in these proceedings. I can assure members that my ministry's staff most certainly will be taking an active part. The residents may, of course, introduce these chromosome results or any other relevant information for consideration during the hearings.

In closing, let me repeat that the director of environmental approvals was aware of this information and had the full benefit of advice from our medical authorities in the Ministry of Labour before issuing the final details and conditions of his decision.

## ORAL QUESTIONS

### MINE SHUTDOWNS

**Mr. Peterson:** Mr. Speaker, I have a question for the Minister of Energy. The minister will be aware that there are 40 people from Bancroft and Madawaska in our public gallery today looking directly at him. These people represent the community and small business as well as the company and the union.

They had a meeting with Mr. Hugh Macaulay this morning. They were originally told that Mr. Macaulay was not present, but someone found him hidden in the plush of his carpet and he did meet with them. He told them the situation was, I believe, out of his hands and in the minister's hands.

What is the minister going to do to keep the Madawaska Mines open and the town of Bancroft alive?

**Hon. Mr. Welch:** Mr. Speaker, I do not have the advantage of having attended the meeting to which the honourable member refers. I can only point out that I was in cabinet until just before the House was called into session. I indicated

earlier this morning that, along with my colleague the Minister of Natural Resources (Mr. Pope), I was prepared to meet with representatives of the visiting group, and I am looking forward to doing that right after question period.

**2:10 p.m.**

**Mr. O'Neil:** Mr. Speaker, will the minister discuss with his cabinet colleagues the proposal that Ontario Hydro should give Madawaska Mines a partial contract to keep that mine open for at least six months or another year until the market situation improves or until definite programs can be established to provide alternative employment opportunities to the employees if the mine is forced to shut down after that period? Will he so instruct Ontario Hydro?

**Hon. Mr. Welch:** Mr. Speaker, I have indicated that I, along with my colleague, will meet with a representative group of those who have journeyed to Toronto today. In all fairness, I think I should do that and hear their representations and discuss the matter with them. They should be accorded that courtesy since they have come to Toronto to have that opportunity.

**Mr. Pollock:** Mr. Speaker, will the Minister of Energy explore avenues for the sale of uranium other than to Ontario Hydro to keep this mine open in Bancroft?

**Hon. Mr. Welch:** Mr. Speaker, obviously we share the concern of the member for Hastings-Peterborough, and indeed of a number of members, regarding any social costs that come with respect to the economics of the present time. Certainly, along with my cabinet colleague the Minister of Natural Resources, I welcome the opportunity to discuss whatever is in the mind of the honourable member and the minds of those who have come from his constituency.

**Mr. Martel:** Mr. Speaker, in view of the fact that a major statement is going to be made this afternoon about a further layoff at Inco until the beginning of October, a total shutdown, will the minister responsible prevail upon his friend the Premier (Mr. Davis) to reconstitute the select committee on plant shutdowns and employee adjustment so that this province will have some policy in place to deal with the ever-growing number of plant shutdowns when we have nothing in place to alleviate the crises that occur day after day to working people?

**Hon. Mr. Welch:** I hardly think that is supplementary to the main question, Mr. Speaker.



**Mr. Eakins:** Mr. Speaker, these people have come here today in good faith. They have been reasonable. They are not asking for the world. People have moved to Bancroft and Haliburton because they love that area of Ontario. They have come here today as families, asking for consideration. The minister has helped to keep other communities alive when jobs were threatened and now he is in a position to help. Why not help Bancroft today?

**Hon. Mr. Welch:** Mr. Speaker, although I do not have a prepared text to read, I do want to assure you that I share the concern of anyone whose economic future is threatened through the loss of employment.

I happen to be a member from an area that has the dubious distinction of being number two in the province as far as unemployment is concerned. There is not a member in this House who is not concerned about the general economic situation. Indeed, we have discussed in this House many times the general problem and the solutions to be addressed thereto.

I am going to meet these people this afternoon in the spirit in which they have come. I am looking forward to that opportunity and, in fairness to them, we will sit down and discuss the matter with them.

**Mr. Peterson:** The minister should not forget that in this situation he can do something and that it is his responsibility. He should not forget that when he is discussing this.

#### RETAIL SALES TAX

**Mr. Peterson:** Mr. Speaker, I have a question for the Treasurer. Yesterday, in response to a question about the main themes of his budget, the Treasurer said that the major theme of the budget was the creation of jobs. He was presented with figures after the fact by the Ontario Restaurant and Foodservices Association showing there would be a loss of some 7,500 jobs as a result of his imposition of sales taxes on low-priced meals. The Treasurer disagrees with that figure. Can he tell this House how many jobs this province will lose as a result of his budget?

**Hon. F. S. Miller:** Mr. Speaker, the answer to that is no jobs will be lost because of my budget and the Leader of the Opposition knows it. A great number of jobs will be created no matter how difficult the climate is. There will be 31,000 jobs in the government service, roughly 35,000 man-years in building homes and roughly 12,000 summer student jobs.

**Mr. Peterson:** That does not address the question of job losses in the restaurant industry, but the Treasurer did address the question of his make-work programs, his \$34 million. Is the Treasurer aware that this money has been spread over 838 municipalities across the province? I will give him an example. Alexandria got \$5,125 to create jobs; to utilize that \$5,125, it is going to have to spend about \$10,000 on materials to employ two people for a short time.

In view of the fact that he is now taxing the building materials these people will be using, and the treasurer of the local municipality has no idea where he is going to get the money to buy the materials, how can the Treasurer honestly say he is creating jobs with his program?

**Hon. F. S. Miller:** I do not think the Leader of the Opposition was here when the same question was asked by, I think, the member for Windsor-Riverside (Mr. Cooke) the other day. Each municipality has the right to choose the projects and determine the mix of labour and materials in the projects. If it has chosen one where the ratio is two parts materials and one part labour, that must be its priority in that community.

As far as the \$5,125 is concerned, that may be just as important to that community as \$1 million to another community, because it is based upon the number of general welfare assistance cases in the community. The Minister of Municipal Affairs and Housing (Mr. Bennett) has made that assessment on the most up-to-date information he has.

**Mr. Cooke:** Mr. Speaker, will the Treasurer now admit, as Mr. MacEachen has admitted by announcing he will bring in a new budget on Monday night, that his budget also was overly optimistic, that it took in assumptions of more than 100,000 additions to the labour force and has simply missed the mark? After Mr. MacEachen brings in his budget, will the Treasurer commit himself to complementing it with a job creation budget that will create jobs at the provincial level to attack the serious and massive unemployment problem which is growing daily in this province?

**Hon. F. S. Miller:** Mr. Speaker, if I am taking any heat following this budget, and the member knows I am, it is because I have put up a good deal of money—\$556 million, by my rough count—as an investment in jobs in Ontario. That investment consisted of \$171 million for the general public works projects which were just alluded to by the Leader of the Opposition,

\$250 million that goes back to the small business people of the province through the corporate income tax, and \$135 million of nonparalleling of the federal moves where we chose to show that we could not follow a federal lead.

We have given Mr. MacEachen the lead and the example. We have also given him some 50 recommendations in a paper, which the Premier (Mr. Davis) gave him in February, called Blueprint for Economic Recovery. I hope and trust that on Monday night we will see a federal budget that reverses its fundamentally incorrect position, because this province stands ready to work with the federal government to do anything that gets more jobs in this province and this country. We do not want to have any more fights with them. We simply want them to accept some of the recommendations that have been made.

**Mr. T. P. Reid:** Mr. Speaker, we still do not have any concrete evidence that the figures the Treasurer is giving us are based on anything other than some airy-fairy notions of himself and the staff in the Treasury. There is nothing to prove that any of these jobs are going to be created.

A community in my constituency, called Rainy River, received an allotment of \$2,000 under the Ontario employment incentive program. To utilize the money it is going to cost the municipality an additional \$600 in materials to create one job; that is to paint a municipal building. There are going to be those material costs.

The Canada Employment Centre in Fort Frances has indicated there are 1,153 people looking for employment. Is the Treasurer planning to direct any additional funds to the north and the one-industry towns, all of which are facing these problems and where there is no cushion of other industries to absorb the impact?  
2:20 p.m.

**Hon. F. S. Miller:** Mr. Speaker, the thing I usually hear from the member for Rainy River is how overly generous my colleague the Minister of Northern Affairs (Mr. Bernier) is in dealing with the problems of the north. The member is always accusing us of having too many projects of that nature.

**Mr. T. P. Reid:** I never said that. I know the pressure is getting to the Treasurer.

**The Acting Speaker (Mr. Cousens):** What are you standing up for? You have asked a question and the Treasurer is—

**Mr. T. P. Reid:** I am on a point of order, because the Treasurer has misled the House.

**The Acting Speaker:** No. You have asked a question and the Treasurer is answering your question.

**Mr. T. P. Reid:** The pressure is obviously getting to him and he is reverting to these kinds of crappy tactics instead of dealing with—

**The Acting Speaker:** The member for Rainy River has raised a question and the Treasurer is in the process of answering it.

**Hon. F. S. Miller:** Even before my budget came out, with the co-operation of the federal government—for which we thank them—we worked out what is called the section 38 use of unemployment insurance funds. I am sure my colleague knows, and I am sure the visitors in the galleries will be interested to know, that this kind of money is used where large numbers of people are unemployed.

Where the federal government effectively gives us the money it would have paid in unemployment benefits, we in turn add to that, to bring it close to the figure people would have earned had they retained their original jobs, and to go forward with a series of necessary projects. The Minister of Natural Resources (Mr. Pope) is working on those. They cover the mining area and forestry at the moment. We are also looking at parks, fisheries and a number of others. We recognize that it is better to keep people at work than to pay them to stay at home.

**The Acting Speaker:** I believe the member for Rainy River indicated that the Treasurer misled the House. If that is so, I ask him to remove those remarks.

**Mr. T. P. Reid:** Mr. Speaker, given the intense pressure the Treasurer is under and the fact he does not know what he is saying most of the time, I will take back those remarks.

#### EMPLOYEE HEALTH AND SAFETY

**Mr. Martel:** Mr. Speaker, I have a question of the Minister of Labour. On May 25, I asked the minister whether he was prepared to table in the Legislature the names of the companies covered under the lead regulation, the names of the unions or of worker representatives on the health and safety committees and the up-to-date data with respect to lead assessment. The minister responded that 533 companies came under the provisions of that regulation, 252 had completed the assessment and 148 were in the process of doing the lead assessment.

Can the minister indicate to me why it is



necessary that he has to direct 133 companies to get on with the lead assessment six months after those regulations came into effect? Does the minister not now realize that many of the companies are totally ignoring Bill 70 because they know when they are caught violating the act, all the minister is going to do is slap them on the wrist with a wet noodle?

**Hon. Mr. Ramsay:** Mr. Speaker, that is basically the same question the honourable member brought up yesterday but presented in a different manner and with a different substance.

The lead regulations did go in six months ago. I think the ministry has done a most commendable job in implementing them to the extent it has thus far. As he mentioned, there were 500-odd companies in question. They have all been visited. We have basically done all the initial work required to implement these regulations. We are right on target and we have nothing to apologize for.

**Mr. Martel:** Since the regulations have been in effect for six months and he has had to direct another 133 companies to get on with doing just the basic assessments, can he tell me how long it is going to be before these companies are forced to have a lead control program in effect? How long? How many years?

**Hon. Mr. Ramsay:** If the member refers to the report I sent to him, he will note that most of that is already under way.

**Mr. Martel:** I have that report and I cannot find anywhere in it where it says anything with respect to control programs.

I point out that unions are involved in 79 per cent of those companies that have lead assessment programs under way. Where there are no unions involved, only 66 per cent of the companies have programs under way. As the minister did not provide the names of the health and safety committee members in the report that was given, is he prepared to provide those names to me for all of those plants, both union and non-union? I happen to believe that where they are non-union plants, the chance of protection is even less and probably there are no committees. Will he supply me with the names?

**Hon. Mr. Ramsay:** I am well aware of the percentages and circumstances which the honourable member has described to me. Certainly I will be happy to provide him with the information he has requested.

**Mr. Martel:** Mr. Speaker, I have another question for my friend the Minister of Labour, who gave me some interesting figures yesterday.

Is the minister aware that from January 1, 1981, to January 1, 1982, his inspectors issued 282 violation orders at Rio Algom? Is he also aware that in a six-month period, from January 1 to late June 1981, they issued 325 orders to Denison Mines for contraventions of the act dealing with things such as failure to have eyewash fountains and showers proximate to dangerous compounds; failure to take precautions for blasting safety; failure to install and maintain fire doors in underground mines; and failure to have proper warning systems for motor vehicles? The list is endless.

Can the minister tell me in how many of those violations he has asked the federal government to institute prosecutions?

**Hon. Mr. Ramsay:** Mr. Speaker, I cannot give an exact number; I know it is substantial. I would advise the member that we have been holding negotiations with the federal government as to a more appropriate method of inspection for the uranium mines.

**Mr. Martel:** I do not think the problem is inspection. I think the problem is one of prosecution.

Yesterday, the minister indicated in the House there were 234 cases prosecuted in 1980-81 and 390 cases prosecuted in 1981-82, for a total of 624 prosecutions in two years. Is he aware that the violations by Denison and Rio Algom alone in one year exceed the total number of prosecutions for two years? Is it not time the minister signalled to the corporations that they have to conform to this act? Otherwise, it is a waste of time.

**Hon. Mr. Ramsay:** In addition to the actual prosecutions that are undertaken, there are many other files that go to the legal branch for consideration and advice as to whether an appropriate action can be taken.

I suggest the ministry is making the companies in this province very much aware of their responsibilities, and in the majority of cases the responsible companies in this province are observing their obligations.

**Mr. Wrye:** Mr. Speaker, given the large number of violations and the relatively low number of prosecutions over the past two years, can the minister indicate whether he and his ministry now believe that the level of prosecutions has been high enough? If he does believe that, why do the number of violations remain so high throughout the province?

Certainly there is compliance, but very often compliance comes only after these violations

are discovered on his ministry's inspections or after complaints. Why must there be a continuing series of inspections and complaints from labour unions? Why is there not compliance which would not lead to these violations in the first place?

**Hon. Mr. Ramsay:** Mr. Speaker, one of the reasons for the increased number of orders being issued is that we have refined our inspection procedures, and our inspectors are better trained at this time and are bringing forward additional concerns. That is something of a positive nature that has happened. I cannot see anything negative about that.

**Mr. Martel:** I am glad the minister said the responsible companies were making improvements. Is he aware that up until October 1, 1981, there were 95,000 orders issued in the industrial health and safety sector alone? There are two other sectors: mining and construction. Of those 95,000 orders issued the minister had to repeat almost 10,000 of them, a full 10 per cent.

**2:30 p.m.**

Is the minister aware that if we compare the total violations of all of them combined to his prosecutions alone, he is prosecuting less than one half of one per cent of the violations that occur? Does he not realize that this is a licence for them to continue to violate the act?

**Hon. Mr. Ramsay:** I am not sure whether the honourable member asked a question or was merely making a statement. I can only repeat what I have said before: I feel the ministry has made great strides in enforcing the Occupational Health and Safety Act. The member will never be completely satisfied, nor will I, but I assure him that, while he has a great measure of concern, I also have a great measure of concern and I am just as determined as he is. I commend him for his initiatives in this respect; I did that in this House last week and I am pleased to do it again, but his measure of concern and initiative on this matter is no greater than mine.

#### MINE SHUTDOWNS

**Mr. Eakins:** Mr. Speaker, my question is to the Minister of Energy, who, I believe, is visiting in the back row.

In view of the fact that the cost differential between the Madawaska Mines' proposal of the citizens' committee and the lowest bid from Saskatchewan amounted to \$10.2 million, how can the minister justify allowing this mine to close? The cost to the government, which could easily exceed \$5 million in the first year, would

include such items as relocation expenses, unemployment insurance benefits and the costs involved in the newly announced mining sector employment bridging program. In addition, there are the benefits accruing to government from money spent locally and outside the community, and the multiplier effect that these expenditures create.

**Hon. Mr. Welch:** Mr. Speaker, the honourable member knows that the decision on the five proposals was made by the Ontario Hydro board.

**Mr. Eakins:** Does the minister not see the situation in Bancroft as symptomatic of the problem being faced by other towns across the province where employment is largely dependent on the mining industry or some other single-resource industry? Why does the government not formulate a program that will deal with these problems in a meaningful way, keeping in mind the smaller towns and more rural parts of Ontario?

**Hon. Mr. Welch:** That is what I thought the Minister of Natural Resources (Mr. Pope) was doing last Friday when he made a very detailed statement, the contents of which we look forward to discussing with representatives of those who have come from that area today.

#### LANDLORD AND TENANT DISPUTES

**Mr. Swart:** Mr. Speaker, in the absence of the Attorney General (Mr. McMurtry) I will put my question to the Minister of Consumer and Commercial Relations. Is the minister aware of the gaping loophole in the Landlord and Tenant Act whereby tenants can be summarily evicted by mortgage companies when those companies foreclose on a landlord? With the escalating numbers of foreclosures the practice is spreading, and lawyers for the mortgage companies are encouraging it.

Will the minister recommend to the Attorney General or perhaps to the cabinet that the Landlord and Tenant Act be amended so that mortgage holders who undertake proceedings to obtain residential property under power of sale or action of foreclosure will be deemed to be landlords under the Landlord and Tenant Act so they cannot evict the tenants?

**Hon. Mr. Elgie:** Mr. Speaker, as the member quite properly pointed out, the Landlord and Tenant Act falls within the domain of the Attorney General. I will be pleased to draw his comments and suggestions to the Attorney General's attention.



**Mr. Swart:** Would the minister also ask the Attorney General to investigate the cases of two Welland families evicted by the sheriff on three or four weeks' notice even though the rent was fully paid and in all other ways they were good tenants? These two cases are Mrs. Beverley Plourde, of 71 Graystone Crescent, and Mr. and Mrs. Jean-Paul Tessier, of 50 Tenth Street, in Welland. The two mortgage companies who did this are Canada Permanent Trust and Guaranty Trust. Further, would the minister have him consult with the lawyer, Rod McDowell, at the community legal services office in Welland who will confirm this practice? If the government finds it is being done and that it is quite legal under the law, as I assure him it is, will the minister ensure he personally will take action to have that legislation amended?

**Hon. Mr. Elgie:** Mr. Speaker, I will draw the member's comments to the attention of the Attorney General.

#### MINE SHUTDOWNS

**Mr. O'Neil:** Mr. Speaker, my question is on the Madawaska Mines problem. It is directed to the Minister of Natural Resources.

I know that a minute ago the Minister of Energy stood up and said, "We are going to do this group from Madawaska and Bancroft the courtesy of meeting with them today to discuss this problem." I remind the minister these people came up from Bancroft a couple of weeks ago. I do not know whether he was in on that meeting. They discussed the problems they had encountered with the Minister of Energy and, I understand, the people from Ontario Hydro.

Today, the Minister of Energy tells us again he is going to do them the courtesy of meeting with them. I would like to ask the Minister of Natural Resources what new proposals or ideas he is going to offer to these people or what he is going to tell them this afternoon about keeping that mine open.

**Hon. Mr. Pope:** Mr. Speaker, I thank the member for his question and I share his concern with respect to Madawaska Mines. I know he and his party are also concerned about the Umex closing in Pickle Lake and have raised that in the Legislature. He is also concerned about the problems of the Sudbury basin as they relate to the world demand and world price for nickel and has raised that in the Legislature.

What we have indicated and continue to indicate is that we are taking steps to get resource development going, particularly in

single-industry communities. The member might look at the programs we have announced over the past six months.

They are applicable to small rural communities with respect to industrial minerals. We have done development and exploration work to identify the deposits. We have commenced our industrial mineral program with respect to the deposits of industrial minerals in eastern Ontario specifically. We have become involved in giving grants under the industrial mineral program, which support has had a positive impact on the long-term viability of those deposits in eastern Ontario.

It has had a positive impact in terms of import substitution, which last year was in the order of \$106 million. It has had an impact on the small communities of Madoc and Perth. We indicated this in the statement last Friday, which the member has conveniently ignored.

We are looking at permanent programs with respect to the graphite deposits in the Bancroft area and are working with the private firms which have mining rights with respect to those lands. We have worked with the communities and with the forest products industry in eastern Ontario with respect to the surplus in hardwood that is available. There could be a permanent industry located there to utilize that surplus which will give more jobs than are at present involved in Madawaska Mines.

We have indicated availability of short-term, temporary help in that community and that the long-term priorities of the ministry and the government are to establish industry in that community. We think that in light of the world-market situation and the costs of carrying not only uranium inventories but nickel and gold inventories at and above world prices, this is the effective way to go to guarantee long-term security for the people of Ontario.

**The Acting Speaker:** The member for Grey-Bruce.

**Hon. Mr. Grossman:** Away we go.

**Mr. Sargent:** And away we go, yes.

**Hon. Mr. Grossman:** I think you are already there.

Interjections

**The Acting Speaker:** Order. The interjections are becoming a bit heavy. The member for Grey-Bruce has the floor.

**Mr. Sargent:** Mr. Speaker, this minister and Mr. Holt of Ontario Hydro are running true to form. They have not told the total truth. They have misled the press and the people of Ontario.

When Mr. Holt said he justified the awarding of this \$400 million contract to a Saskatchewan firm with our money, he justified it by saying Madawaska could not stockpile for 30 months at a cost of \$50 million. That justified the minister—

**The Acting Speaker:** May I have your question please?

2:40 p.m.

**Mr. Sargent:** It is very important to get this across. The minister justified taking this contract by claiming a saving of \$50 million. That is a totally false statement.

In the meeting today, how can he justify paying Denison and Steve Roman and his boys \$60 a pound when these guys would provide it for \$30 a pound? How can he waste \$50 million a year of our money in political shenanigans, under the table stuff we know nothing about? The minister really has to ask himself that question. The people are getting through to what he is doing in Hydro. We are getting sick and tired—

**The Acting Speaker:** The honourable member has asked at least one question.

**Mr. Sargent:** How can he justify paying \$50 million more to Steve Roman than to Madawaska? Will he please tell me that?

**Hon. Mr. Pope:** Mr. Speaker, the honourable member said I misled him and misled the house.

**The Acting Speaker:** No, I was listening carefully.

**Hon. Mr. Pope:** He said I was involved in political shenanigans. I don't know what the hell he is talking about.

#### HOUSING FOR EX-PSYCHIATRIC PATIENTS

**Mr. R. F. Johnston:** Mr. Speaker, my question is for the Provincial Secretary for Social Development. In April, many weeks ago, she received a copy of the Ontario Social Development Council's report on adult residential facilities. We received it yesterday, and met with the group today. I would bring to the attention of the Speaker that the ministers have not yet deigned to meet with the council.

Could the minister tell me whether she accepts recommendation number one on page 2 of the brief—no doubt she has had time to read it by now. It suggests that the province undertake immediately to draft comprehensive legislation and integrate existing legislation with respect to the licensing, standards, funding, monitoring

and jurisdictional responsibilities related to adult residential facilities, so that adults with special needs, such as ex-psychiatric patients, mentally retarded adults and disabled adults, can receive a network of residential services and support services around this province for the first time in years? In other words, will she support NDP policy, which we have been pushing in this House since the mid-1970s?

**Hon. Mrs. Birch:** Mr. Speaker, I was asked during estimates yesterday if I had received the brief. I indicated we had received the brief, and that we were attempting to bring the ministers together to meet with this group and would do so at our earliest convenience. I am not prepared at this time to suggest to the honourable member whether we are accepting specific recommendations. I would only point out to him that many of the recommendations in the brief, the programs and proposals, are already under way. In due course, we will be very happy to meet with the group and have them present their brief to us personally.

**Mr. R. F. Johnson:** It would probably be presumptuous for me to relate the length of time it has taken the provincial secretary to meet with this group and her interest in the concerns they have raised.

The committee which is looking at the Planning Act revisions voted down a motion from the member for Bellwoods (Mr. McClellan) the other day to bring in amendments to the act, which, as in recommendation number four of this brief, would ensure that municipalities do not, through restrictive zoning, prevent the establishment of an adequate number and range of community-based facilities across this province. Will the minister now say whether she is willing to support that motion, or whether she is going to stick with her encouragement policy of group homes so that we continue with the patchwork of permissive, exclusive and discriminating zoning practices relating to group homes and other residential facilities around Ontario?

**Hon. Mrs. Birch:** We had a discussion about this group home policy during the estimates. I indicated to the honourable member that the policy the government initiated some two years ago was still in effect. We will continue to encourage municipalities to accept the responsibilities of providing group homes in their own communities for the people there who need the facilities. We will continue with that policy.

**Mr. Boudria:** Mr. Speaker, is the minister willing to tell us she will at least meet with them



before the House adjourns for the summer recess so that we can voice these concerns to the cabinet committee that will be hearing them in the hope that we can get speedy action on those recommendations?

**Hon. Mrs. Birch:** Mr. Speaker, through you to the member, we will meet with them just as soon as it is convenient.

I think the member can appreciate that we do have many other groups of people to meet. We have many meetings to attend. We have just had estimates and we have to be in the Legislature. We will establish our priorities; I am not going to have the members on the opposite side telling me when I should meet with anyone.

**Mr. J. A. Reed:** Mr. Speaker, this question—

**Mr. R. F. Johnston:** She has been taking instructions from the Minister of Revenue (Mr. Ashe).

**The Acting Speaker:** Order. I am unable to hear the question from the member for Halton-Burlington.

#### HYDRO CONTRACTS

**Mr. J. A. Reed:** Mr. Speaker, this question is of the Minister of Energy. It is another one of those Ontario Hydro mismanagement questions that are becoming altogether too common in this Legislature.

This question refers specifically to the \$2-billion contract with Petrosar. It was for the supply of oil which has so far cost Ontario something like—and the figures may be a little bit antiquated—\$45 million for not taking the oil on that take-or-pay deal.

I asked the Premier (Mr. Davis) about this last December 15. He said he would undertake to discuss the matter with the Minister of Energy, get information and bring it back to the Legislature. He did not bring it back but I expect he has discussed the matter with the minister.

Can the minister now tell us the precise total cost to the Ontario consumers as a result of this blunder? What will be the cost of not taking the oil by 1992, which is the expiry date of the contract? Since the price of the oil is not market-related, which is contrary to past practices, to what exactly is the price related? What would be the cancellation cost of that contract with Petrosar?

**Hon. Mr. Welch:** Mr. Speaker, it is always advantageous to have hindsight. Hindsight is always 20-20. I have to analyse decisions that are made by very responsible people in the light of the circumstances at the time, keeping in mind

the importance of security of supply of fuel, in order to look after the requirements.

The member, as is his right, has asked for some specific information, and a lot of detail. It seems to me that aspect of his question should be put on the Order Paper and the member, no doubt, will do that.

**Mr. J. A. Reed:** We are about to solve the problem much more simply than that. Will the minister table the contract?

**Hon. Mr. Welch:** Mr. Speaker, I would have to give some consideration to that particular question in view of whatever undertakings there may be as part of the negotiations. Indeed, I will take that under advisement but I cannot make any undertaking at this particular time.

**The Acting Speaker:** A supplementary from the member for Beaches-Woodbine.

**Ms. Bryden:** I have a new question, Mr. Speaker.

**Mr. Nixon:** I hope they are leaving you alone, Marion.

**The Acting Speaker:** Order.

[Applause]

**The Acting Speaker:** Order. The member for Beaches-Woodbine has the floor.

Interjections.

**Ms. Bryden:** Mr. Speaker, it is nice to have a standing ovation from this side of the House. I am hoping to have one from the other side too.

[Applause]

2:50 p.m.

#### AFFIRMATIVE ACTION

**Ms. Bryden:** Mr. Speaker, to the Minister of Labour: We have just received the 1980-81 annual report of the women crown employees' office. I would like to ask the minister whether it took over a year to bring out this evaluation of the government's affirmative action program in the public service because the women crown employees' office is badly understaffed, or because the other government ministries are not co-operating in sending in their evaluation reports? Or was it because the minister is ashamed of the facts in the report, which show almost no progress in the past two years in moving more women into the better-paying and higher-echelon jobs, or in closing the gap in average pay between men and women in the public service, which still stands at 28 percentage points?

**Hon. Mr. Ramsay:** Mr. Speaker, the answer

to all three questions posed by the honourable member is no. I would follow through, though, by indicating that if she reads the report objectively, I think she will find many positive and encouraging signs of the progress that has been made within the civil service of Ontario.

**Ms. Bryden:** One of the less positive signs is the fact that the number of women in the clerical module went up by almost eight percentage points from 1980 to 1981 and now stands at 78.3 per cent of the total public service employees. Does the minister not agree that this signals a complete failure of his affirmative action program directive of 1980 to move women out of the clerical ghetto and sharply indicates the trend is in the opposite direction?

Will the minister tell us what steps he is taking to make implementation of the directive more effective, and what increase in funds has he persuaded the Treasurer to allot to the women crown employees' office for this year?

**Hon. Mr. Ramsay:** I do not believe the women crown employees' office requires any additional funds or personnel. They have been doing a most commendable job and I think this report indicates just that.

Let me make a few comments: It is very interesting to note that whereas in the entire work force women earn about 60 per cent of what men earn, in this provincial government women earn 72 per cent of what men earn. Certainly that must be a strong indication that the provincial government is far out in front of the rest of the country in this respect.

Also, in this past year gains were made in women's representation in eight underrepresented classification groupings in the Ontario public service, including administrative, professional and operational modules, the executive compensation plan and the law enforcement services category. There was a decrease in the number of women in the lower salary ranges and an increase in women's representation in the higher salary ranges at a rate greater than men's.

There was an increase in the number and percentage representation of women in executive positions at the same time as the total number and percentage of male executives decreased. There was an overall increase in women's participation in the Ontario public service. Women participating in accelerated career development initiatives increased at a rate approximately 70 per cent higher than was originally planned.

There was the establishment of the affirmative action incentive fund enabling more women

to participate in accelerated career development initiatives. Finally, there was more than full achievement of numerical planning targets for hiring and promotion of women into classes with underrepresentation of women.

**Mr. Wrye:** Mr. Speaker, I want to give the minister a couple of statistics and ask him to comment on them. I notice the minister was patting himself and the government on the back for the fact that here within the Ontario ministry—  
[Applause]

**Mr. Wrye:** Go ahead and do it, but there is no justification for it. They are still 28 per cent below.

**The Acting Speaker:** Your supplementary?

**Mr. Wrye:** In the Ministry of Correctional Services the wage gap has narrowed 3/10 of one per cent. In the Ministry of the Environment the wage gap has narrowed a massive 2/10 of one per cent. The Ministry of Natural Resources has done a terrific job; the wage gap there has actually increased 3/10 of one per cent. While the gap in this ministry has narrowed by two per cent, the average salary of women remains at only two thirds that of men.

When is the minister really going to get serious about narrowing the wage gap? When is he going to stop kidding around with a number of minimal gains? These simply allow him to pat himself on the back but do nothing for women in the public service.

**Hon. Mr. Ramsay:** I am not patting myself on the back. I take no credit for what has happened. The credit should go to the people who are working in the affirmative action programs and in the crown employees' office, and to the people who are working in each and every ministry in an effort to improve the situation, something they are very definitely doing.

I would ask the member to please bear one thing in mind. In this past year there has been little movement of employees within the civil service. That does create a problem in adjusting the proportion of women employees to that of men.

## MUNICIPAL ASSESSMENTS

**Mr. Epp:** Mr. Speaker, I would like to address a question to the Minister of Revenue.

In view of the controversy surrounding the 6,826 property reassessments based on alterations, additions and renovations to Toronto homes, and in view of the fact that 73 per cent of the ministry assessors in Metro Toronto at present are involved in the frivolous task of



preparing a section 63 simulation study, would the minister tell us how he expects a mere 60 assessors to reinspect over 6,000 homes in preparation for the appeal hearing?

Has he entered into discussions with the Attorney General to develop a method of hearing the appeals without creating an incredibly large backlog of assessment review cases?

**Hon. Mr. Ashe:** Mr. Speaker, the appeal process and the follow-up reinspection that happens on every appeal are taking their normal course. These are working in very well with the section 86 program, as we still call it. Looking at the whole of Metropolitan Toronto, it is not causing any great difficulties at all.

If there were any difficulty or any hold up it was in this Legislature acting on Bill 60, getting it through and making it law a relatively short time ago instead of several weeks sooner. I appreciate it was not the representatives of the second party who caused that delay, I want to make that very clear; it was the representatives of the third party who caused the delay.

Since the bill has become law, we have gone ahead with the communications plan of contacting the people involved and the reinspections, again tying right in with the overall inspection program under the section 86 impact study which is progressing the way it was anticipated it would and with no great difficulties.

As far as the actual hearings by the assessment review court are concerned, the honourable member has acknowledged that the assessment review court per se is under the jurisdiction of the Ministry of the Attorney General. We have been working closely with the court system to ensure there would be advance awareness of these additional appeals that would have to be dealt with. They are being funnelled into the regular procedures in the regular time slot and the total calendar concerning each particular neighbourhood.

These appeals will not be dealt with in isolation or separately, but as part of the overall appeal process on a neighbourhood basis.

**Mr. Epp:** I appreciate the minister's comments with respect to not attributing a delay to this side. Since February of this year, we had been after the minister to try to bring in some kind of rational legislation, which he brought in some months later.

Since the minister is aware that last October there was a backlog of 48,000 cases of assessment appeals before the review court, I am not sure why he says these things are going to take

their natural course, because at that rate they might be hearing them some time next year—

**The Acting Speaker:** Supplementary?

3 p.m.

**Mr. Epp:** Given all that, in view of the fact that the minister refused the challenge of Tax Reform Action for the People to attend a property tax assessment tour in the city of Toronto even though he was given a choice of dates—it will likely take place on July 7—and in view of the fact that the minister has continuously defended the method and outcome of the 6,826 reassessments—

Interjections.

**The Acting Speaker:** I am waiting for your supplementary.

**Mr. Epp:** The Minister of Education (Miss Stephenson) wants a question and I am sure we will get her one shortly.

**The Acting Speaker:** No, carry on with your supplementary.

**Mr. Epp:** I am directing this question to the Minister of Revenue. I wish he was not as keen as the Minister of Education (Miss Stephenson).

Given all that, are we to assume that the minister considers these reassessments to be accurate and fair? Does he believe there are no major inequities in the reassessments in any vicinity in Toronto?

**Hon. Mr. Ashe:** Mr. Speaker, I am glad I did not fall asleep during the dissertation that led up to the eventual question.

As I have indicated to this Legislature on numerous occasions, the total assessment process is not a very scientific or definitive one in the sense of being 100 per cent pure. Yes, as I have said before, I am sure we have made some errors in the assessment program. Some of them have been caused by people themselves who did not respond and allow an assessor access to their homes after a couple of attempts to do so.

As far as I am concerned, and I have said this on many occasions, generally speaking the process was fair and equitable. Perhaps I will be proven wrong, time will tell. That is exactly what Bill 60 was all about and why I see no useful purpose in the offer made by TRAP to walk down a street of my choice and a street of their choice. They are not experts in the field and neither am I personally. Assessors are experts and the appeal procedure is set up to arbitrate differences of opinion in due course. In the end, I think we will find that justice will be served.

## COLLECTION OF RETAIL SALES TAX

**Mr. Stokes:** Mr. Speaker, I have a new question of the Minister of Revenue regarding the penalty on so-called late filing by collectors of the retail sales tax. Will he get a legal opinion from the law officers of the crown as to the legality of imposing a fine on collectors of retail sales tax in northern Ontario because of the inability of Canada Post to get the returns down here by the 23rd of the month?

**Hon. Mr. Ashe:** Mr. Speaker, the member and I have discussed this issue privately, following a letter he sent to me, and the particular case is being investigated.

Frankly, this is not a unique situation. With the massive volume of payments we receive on a daily, weekly and monthly basis, sometimes delayed mail is not recognized as such and it can happen that a delayed letter will be processed as a late payment.

It is within the legislation itself to impose a penalty per se, plus the loss of the collection fee in the case of sales tax, for example. Normally, when we become aware of the penalty that has been imposed, we look at the payment record of the organization. If it has generally been a good one and they can make a plausible case that they did send it on time, we adjust it accordingly.

We have also done many other things to draw to the attention of vendors that they do not have to wait until the last few days to mail the retail sales tax. Equally important, we have made arrangements with the chartered banks so that vendors can make their payments there. A growing number of vendors are taking advantage of that. This cuts down the necessity of mailing and the cost of postage.

As far as this particular issue is concerned—and again we are looking at the specific one and, I understand, a second one that is coming—I think in most cases we end up working out something very equitable when it is a case of being held up in the mail. We are looking at the whole issue.

**Mr. Stokes:** Does the minister not realize that this penalty affects vendors through no fault of their own and may be as a result of the inability of his staff to process their mail and the inability of Canada Post to deliver it on time? The alternative he offers to my friend who has been penalized way up in Upsala—he is 90 miles away from his nearest bank—is that it is going to cost him \$25 to pay it there.

Surely the minister could accept the postmark on the remittance as an indication of good

faith on their part as having met the regulations. Will he not do that?

**Hon. Mr. Ashe:** I think that is exactly what I said. In actual fact that is the practice.

**Mr. Stokes:** Why are you penalizing him, then?

**Hon. Mr. Ashe:** There is no delay in the processing of payments upon receipt. As a matter of fact, I think this government stands second to none in North America in the way of getting the cash flow into the consolidated revenue fund. Again, as I have been trying to explain, it is because of the volumes of payments that we receive from all of the various forms of taxation, that we do not always look at the actual postal date; but we look at the payment record of the particular vendor and we always give him the benefit of the doubt.

## WASTEFUL CUTTING PRACTICES

**Mr. Van Horne:** I have a question for the Minister of Natural Resources, Mr. Speaker. In early April I asked him a question about forest utilization, specifically about wasteful cutting practices, and he responded through reference to an earlier memo of his, in March, in which he indicated this topic was being studied. Further to that I put a question on the Order Paper asking how many companies had been charged in regard to wasteful cutting practices, and the response to that question on the Order Paper was that no companies have been charged under section 24.

In light of the minister's earlier comment to me that his committee would report by the end of June, I wonder if he can indicate: first, if he has been able to find out whether there have been any wasteful cutting practices; and second, if so, whether he is prepared to alter the charges section, which has not been changed since 1952?

**Hon. Mr. Pope:** Mr. Speaker, the honourable member asked whether or not there had been charges with respect to a particular section, and the answer is that there have not been charges with respect to that section. There have been charges with respect to unauthorized cutting; there have been charges under other sections of that same regulation and the same act with respect to what he would consider to be wasteful cutting. If he wants to meet with me and get some idea of the amounts and the companies involved, I will be glad to do so.

The committee on utilization, I understand, has had meetings with different industry repre-



sentatives in the last six weeks. I understand their report will be in my hands by the end of June, and we will be following up on that report with some changes in regulations dealing with wasteful practices in Ontario. We will make them part of any new licences or renewals of licences, and they will also be a significant part of the forest management agreement process.

## REPORTS

### STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Mr. Harris from the standing committee on resources development reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of Natural Resources be granted to Her Majesty for the fiscal year ending March 31, 1983:

Ministry administration program, \$46,109,200; land and waters program, \$112,115,200; outdoor recreation program \$76,183,000; resource products program, \$113,968,600; resource experience program, \$8,856,000.

3:10 p.m.

### STANDING COMMITTEE ON GENERAL GOVERNMENT

Mr. J. A. Taylor, on behalf of Mr. Barlow, from the standing committee on general government presented the following report and moved its adoption:

Your committee begs to report the following bill without amendment:

Bill 28, An Act to amend the Ontario Unconditional Grants Act.

Motion agreed to.

**The Acting Speaker (Mr. Cousens):** Shall the bill be ordered for third reading?

Ordered for third reading.

### STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Mr. Shymko from the standing committee on social development reported the following resolution:

That supply in the following amounts and to defray the expenses of the social development policy field be granted to Her Majesty for the fiscal year ending March 31, 1983:

Social development policy program, \$5,448,700.

### STANDING COMMITTEE ON ADMINISTRATION OF JUSTICE

Mr. Treleaven from the standing committee

on administration of justice presented the following report and moved its adoption:

Your committee begs to report the following bills without amendment:

Bill Pr19, An Act to revive the Calabogie Asbestos Mining Company Limited;

Bill Pr23, An Act to revive Peer and Smith Limited;

Bill Pr26, An Act respecting Co-operators Insurance Association.

Motion agreed to.

## ORDERS OF THE DAY

### CORPORATIONS TAX AMENDMENT ACT (concluded)

Resuming the adjourned debate on the motion for second reading of Bill 114, An Act to amend the Corporations Tax Act.

**Hon. Mr. Ashe:** On a point of order, Mr. Speaker: The member for Ottawa East (Mr. Roy) had the floor. I want to apologize on his behalf. It is Wednesday and his legal practice calls.

**The Acting Speaker (Mr. Cousens):** That is not a point of order.

**Mr. Stokes:** On his behalf, can we get a remand?

**Mr. Cooke:** My law practice has collapsed, so I am here today.

Mr. Speaker, I am going to be very brief, but I do want to congratulate all the Tory members here today. How many do we have? We must have more than 20 members here.

Last night, when we were debating very important tax measures, there were four members of the Conservative Party present. Most of them were out back playing cards. They did not think the tobacco tax was important. They did not think their friends in the small business sector—and we were debating a very important piece of legislation for the small business sector—were important. Cards were more important.

What else did we debate last night? The land tax, which is very important to northern Ontario, was not important to the members from Cochrane or any of the other northern members. It was more important to go play cards in the whip's office.

**The Deputy Speaker:** Speaking to the bill.

**Mr. Cooke:** I am speaking to the bill. I am saying that this bill is important and I am glad that today at least 10 per cent of the Tory caucus

is taking it to be important. Maybe it is 20 per cent, but last night it was not important. I just want to put a few—

Interjections.

**The Deputy Speaker:** Order. The members are awfully rabble-rousing, including our esteemed Minister of Education (Miss Stephenson) and the member for—they are still not listening. What can I do?

**Mr. Breagh:** Name them.

**The Deputy Speaker:** Order. Quiet in the front.

**Mr. Cooke:** I noticed the Minister of Education was not here last night. She was out rabble-rousing in Toronto instead.

I want to put a couple of statistics on the record to show how inadequate this particular piece of legislation and a major part of the provincial budget is.

To the end of April, 1,207 small businesses had gone bankrupt in Ontario. If that statistic is annualized, we are talking about 3,621 small businesses going bankrupt in this province by the end of 1982. Taking an average employment figure of five jobs per small business, which I would suggest is a conservative figure, we are talking about the loss of 18,000 jobs in the small business sector. One rationale the government has used for the tax holiday for small businesses that are incorporated and obviously have to be making a profit, is that the money will be reinvested and there will be the creation of 10,000 jobs.

We asked the Treasury officials about this in the lockup for the budget and it was made very clear to us the 10,000 job creation figure could not be substantiated in any way. It was a figure they sort of pulled out of the air because they knew it would be asked of them, either by the opposition parties or by the press on the night of the budget.

The fact of the matter is, even taking the two most optimistic figures—no more than 18,000 jobs lost and 10,000 jobs created—we are talking about at least an overall net loss of 8,000 jobs in the small business sector. Add to that the 7,500 jobs that are going to be lost in the fast-food and restaurant sector because of the tax policy on small business and we get a figure of over 25,000 jobs to be lost; 25,000 jobs. If we take a look at the job creation projections—short-term jobs, the \$171 million—we are looking at 31,000 jobs to be created. Again, that is a very optimistic figure. Even assuming it is correct, we are

talking of a net job creation of 6,000 jobs in this budget; 6,000 jobs.

That is a disgrace at a time when 575,000 people in this province are unemployed, at a time when the small business sector's backs are up against a wall because of the federal Liberal high interest rate policy. Yet this government, which claims to be a great friend of small business, refuses to bring in any kind of a program whatsoever for those unincorporated businesses and those incorporated businesses which are losing money.

This government's budget philosophy of helping only the winners comes through more clearly in the small business sector than in any other aspect of the provincial budget. We are very disappointed that some program was not devised, either using the tax system, which is something we would have considered, or taking the \$250 million in forgone revenue as a result of this bill and putting it into some kind of program that would offer genuine, sincere help to the small businesses about to go bankrupt.

The Treasurer (Mr. F. S. Miller) has said the money will be reinvested, because if it is not reinvested in small businesses it will be subject to tax. A lot of tax advisers have very clearly indicated that by going to them, by looking at their dividend and salary mix in order to take advantage of this tax holiday for small business, the owners of profit-making small businesses can get a lot more money out of their small businesses.

In view of the economic circumstances in this province and this country—thanks to my friends to the right and their federal policies—I do not think many small businesses will take advantage of this money and reinvest it in Ontario in order to create jobs.

**3:20 p.m.**

We cannot support this bill. Our budget task force has met with chambers of commerce across the province, with small business groups and with restaurant owners. I can say there is certainly not the kind of universal support for this bill that the minister and the Treasurer attempt to say there is. There certainly is not that kind of support.

I would venture to say, based on the fact there are only six members of the Conservative caucus in the House at this point, that there is not even universal endorsement of this bill and this strategy for small business within the Tory caucus. Only six members out of 70 are present, which represents less than 10 per cent of the Tory caucus. I think that is a disgrace when they



have indicated that this \$250-million tax holiday for small business is an important, almost central piece of their budget plans for job creation.

We will be voting against this piece of legislation. I would suggest that, in view of the federal budget that will be coming down next week, unless there is a substantial change in federal policy this government is going to have to look very closely at small business policy and the assistance that is provided to both the incorporated and unincorporated small businesses. If adequate help is not provided by Mr. MacEachen on Monday night, this government is going to have to revise its budget substantially to provide the kinds of assistance to small business and home owners that it has refused up to this point.

I am rather confused by the provincial government policy on interest rates because just a year ago the provincial Treasurer indicated that he did not believe anyone could do anything about interest rates in Canada. He said if they were lowered that would mean the dollar would be lowered. About six months later he and the Premier (Mr. Davis) indicated that the solution to the high interest rates was to have a lower dollar and just simply lower the interest rates.

Then they indicated that the federal government had brought in a mortgage assistance program which was inadequate, and a couple of months later when their own budget came in they indicated that the federal program was indeed adequate. But just the other day they said the real solution to interest rates was simply to lower the interest rates. That was until the federal Finance minister indicated he was bringing in a new budget on Monday night.

Now the provincial Treasurer says there simply is no solution to the interest rate problem, that we cannot stop the outflow of capital in Canada unless interest rates are high in order to bring capital back in; therefore we have to live with high interest rates and the focus of the federal budget on Monday night should be on restoring the business community's confidence in the economy in this country.

Mr. Speaker, I would ask you and I would ask the minister, what about the ordinary people, the small businesses that are struggling to survive, the home owners who are struggling to keep their homes; what about their sense of confidence in our country and in our province? Is that not important to the restoration of economic health in this province? If the consumers, the small business people and the home owners of this province do not have confidence in the future of this province and in the future of

the economy, I suggest that no amount of government programs, no amount of manipulation of the taxing policies of the federal government will change that. If consumers cannot afford to buy products there will not be the demand for the products and there will not be the jobs.

What I am saying is that the Treasurer, the Minister of Revenue (Mr. Ashe) and the Premier should be saying to Mr. MacEachen that yes, confidence is important but the confidence in our economy starts with the middle-income and low-income people of this province and this country, that the small business sector is an integral part of that and that those are the areas in which we have to create the confidence.

That means lowering interest rates and that means recognizing the serious problems that exist because of Liberal interest rate policies, which have been followed for two and half years, and because of the Tory high interest rate policy under the previous Clark government.

**Ms. Bryden:** Mr. Speaker, I want to speak briefly on this bill because I think we should recognize—

**Mr. Cooke:** On a point of order, Mr. Speaker: I took a count when I was speaking and I believe there is not a quorum in the House. I would like you to check.

The Deputy Speaker ordered the bells to be rung.

**3:29 p.m.**

**Ms. Bryden:** Mr. Speaker, now that I have the undivided attention of a considerable number of members on the opposite side, I would like to say that the corporations tax bill—

**Hon. Mr. Ashe:** On a point of order, Mr. Speaker: I think it only fair this Legislature note, as I think it was the night before last, that the member for Windsor-Riverside (Mr. Cooke) who made the quorum call has once again absented himself and is not here at the resumption.

**Ms. Bryden:** Mr. Speaker, the corporations tax bill which comes to this Legislature almost every year indicates the Dr. Jekyll and Mr. Hyde personality of the Treasurer and other government members. When the corporations tax bill comes in, it is the Santa Claus personality we see, it gives the corporations some handouts every year; the rest of the budget shows the Scrooge personality of the government and hits the ordinary people.

There is a total of \$300 million in taxes on family units in this budget. Taxes have been put

on everything from hot dogs and pets to feminine hygiene products and cleaning supplies. That is where the government is hitting the ordinary people. But for the corporations there is \$135 million of new tax expenditures in this budget. There are tax holidays, but they are only for the winners, those with corporate profits. There is no assistance for the small businesses and unincorporated businesses which are suffering from high interest rates and the general turndown in business resulting from the lack of job creation in this budget.

This government continues to undertax corporations and to overtax individuals. In the past three budgets, the revenue from corporation income taxes has declined by 29 per cent and the revenue from mining profits has declined by 75 per cent. In the same three budgets, personal income tax has gone up by 56 per cent, Ontario health insurance plan premiums have gone up by 32 per cent and the retail sales tax has gone up by a whopping 43.5 per cent.

This indicates the government's attitude towards taxpayers. When it brings in the corporations tax bill it takes off the mask and shows it is using power to favour its friends. It is not bringing in a fair tax system. In fact, the tax system is becoming more regressive all the time. The average family in Ontario is paying higher taxes than the average family in most other parts of Canada.

That is why we are voting against this bill and all the other new tax measures in this budget. It is the most anti-people budget this province has ever seen.

**Mr. Haggerty:** Mr. Speaker, I would like to address myself to Bill 114, An Act to amend the Corporations Tax Act. I was listening to the comments of the other members, and I would have to concur with some of them, but the bill itself is going to give further tax relief to the small business sector in Ontario. I suppose that during the difficult period many industries and small businesses find themselves in it would be an opportunity to give them some relief.

The Treasurer has said the budget is perhaps geared more for sound businesses than for those small businessmen who need help at this time to get them through the high interest rate period. What he has indicated is that the amendment we are discussing today is for the benefit of those who are in a healthy position and can make a profit. It gives little help to those who need some help in keeping their industries going, particularly those who have borrowed money in the

past four or five years and now are encountering high interest rates.

My main concern is a section of the bill which I do not think any other member has discussed. That is section 3 of the bill. The explanatory note says: "This section makes several amendments to section 53 of the act relating to the calculation of paid-up capital for banks and loan and trust corporations. The new subsection 53(2) amends the terminology for banks to bring it in line with the new terminology in the Bank Act (Canada). There is no change in policy involved in this amendment."

It goes on to say: "Subsection 53(5) is enacted to make it clear that where a bank has included in its 'retained earnings' its share of the earnings of a subsidiary or controlled corporation, such amount will not be required to be included in its retained earnings for purposes of calculating its paid-up capital under section 53. This will avoid the double taxation of the amount excluded by the amendment since the subsidiary or controlled corporation may be required to include that amount in its paid-up capital."

I draw to the attention of the minister that this indicates that where there is profit in a subsidiary corporation, as I understand it, there would be no taxes paid because it is being funnelled through the one major corporation, that is, a bank.

I suppose the minister is aware of the huge bank profits that have been made in the past three or four years. They have certainly netted huge revenues, even the Bank of Canada, which I think in the past year generated \$1.9 billion.

In this matter we are talking about the money traders in the banking system; they could be a subsidiary of any bank or, in particular, even some of the foreign banks that are coming into Canada. In a sense, they can sit back and manipulate the Canadian dollar to their advantage.

I suggest to the minister that is a profit to be made between the Bank of Canada and any commercial bank in Canada. I suggest the markup is in the range of four per cent to six per cent profit. It passes on down through the chain of the banking corporations.

That is an area where I think the minister should be looking. Banks, particularly banks in Ontario and Canada, have gone international. They are taking money out of this country, going offshore into Caribbean and other countries and opening up their markets there. I suppose they can use that either as a capital loss or profit. In a sense, to stay under the laws of



Ontario, they could be exempt from further taxation or double taxation because they are considered as subsidiaries of those banks.

I am reminded of the time when some of the ship owners who had ships built here in the past years obtained government subsidies but had their ships registered in Bermuda or some other country so they could escape paying taxes.

I do not know what the minister is telling me here, and I hope I am correct in what I am trying to convey to him, that he is leaving a door open here. A subsidiary plant or a subsidiary corporation of a bank would not have to pay double taxation, and yet there could be a profit at both ends of the line, for the subsidiary and for the bank itself.

I draw to the minister's attention that I am concerned about the terminology and his explanation of the intent of the bill itself. I suggest to him that if he looks at the banks, he will see that they are involved in the trust companies, in estates, in almost everything that deals with the financial affairs of any corporation or any individual. This is an area where he could be making a profit, without any further taxation under the amendment he is proposing. I think he should look at it.

I do not think it is the intent of the legislation, but he is permitting further profit to be made without any additional taxation. I do not have to tell him about injustice. If he looks at the back of the budget report for 1982, he can see the injustice. The chart of government revenue sources for the budget dollar shows that personal income tax represents 27 cents. I am looking pretty hard here and when I look at corporation taxes, because I have to look very closely, I see it is seven cents on the dollar. That is all the government is collecting in taxes from corporations, including banks, trust companies and so on, which are making windfall profits under the high interest rates.

**3:40 p.m.**

If the government wants to bring some equity into the taxation system in Ontario, it will have to take a look at the personal income tax and the corporations tax. What this indicates to me is that the small wage earner, the individual family, is carrying the whole shot of paying taxes through personal income tax and the increase in sales tax that has taken place this year. There is an injustice in our taxation system. So the government is going to have to look at other measures besides personal income tax.

The government raised personal income tax by two per cent in 1981 and two per cent in 1982,

which will generate an additional flow of capital to the Ministry of Revenue and the Treasury to offset the huge budget deficit. I suggest an injustice is being done to the people of Ontario through this regressive taxation which the minister is about to bring upon the people of Ontario.

If the minister looks at the budget, he will see that on page 21 the Treasurer says: "This budget has been crafted"—I do not know whether the word should be "crafted" or "drafted," but the government got the right word in there—"in some of the most difficult economic times facing Ontario and Canada. Nevertheless, the budget I place before you fashions economic and financial policies to meet the challenges of today and tomorrow."

When I look at the word "crafted," I think this government has gone again to the small person in Ontario to obtain additional revenue in almost every area one can think of. I take the word "crafted" to mean deceitful, tricky and cunning. That is the position I think the minister is in.

**Mr. Di Santo:** Mr. Speaker, I would like to speak against Bill 114, which I read very carefully. I want to speak against it because I think it is a further indication of the wrong approach taken by the government of this province vis-à-vis the economic crisis we are faced with.

With this bill, the government is giving corporations a break in their taxes, supposedly intended to reward them because they are winners. But the bill does nothing to try to redress the very serious problems facing the economy of this province.

It is true that when this bill is passed, because the Tories have the majority in the House, the major corporations will be taxed much less than they were taxed last year. A number of small and medium-sized incorporated businesses will be exempted from paying corporate taxes for two years. Apart from that, the bill does not help to solve the very serious problems facing many small businesses in the province.

I had an example the day after the budget when someone from a small company operating in my riding called me and said: "This is very good for the corporations that are successful and are surviving the crisis, but what should we do? What do corporations and companies like ours do when we have a cash flow problem and cannot survive the high interest rates we are charged because of the policy of the federal government, which the government of Ontario

has not been able to oppose successfully in the past?"

Actually, I suspect that in a very devious way the Treasurer perhaps likes the fact that there are high interest rates, because that way they have somebody to blame. Here in the House every day we hear the Treasurer blaming the federal government and telling us that the cause of all our problems and the people responsible for them are in Ottawa, not here in Ontario.

This bill, of course, is a very important feature of the budget. In the budget, despite his professed intention to reduce the deficit, the Treasurer substantially increased the deficit without allocating any substantial amount of money to solve the crucial problems that we in the New Democratic Party have been pointing out for quite some time now. We have pointed out the basic sectors of the economy that are in a crisis because of the lack of action of the government—manufacturing, forestry, agriculture and the food industry—and we have suggested that if the government has to take the route of increasing the deficit, at least the deficit should stimulate the economy.

Instead, with this bill the government is only giving a gift to people who do not need it, because successful companies can weather the crisis better than unsuccessful ones. In fact, we suggest that the government should perhaps take some steps to help those people and groups in our society who cannot weather the storm, the home owners who cannot renew their mortgages—in fact, we know that 32,000 of them will be faced with a very serious situation and most of them will lose their houses—and those small businesses that are creating jobs. Unfortunately, at this time we have a leadership that is totally blind.

In fact, we read in the newspapers today that they are recommending a freeze on wages and salaries as the solution to their problems. There is nobody in this country who can really defend such a thesis, because we all know that in the past six years the wage and salary settlements in this country, and therefore in Ontario, have been below the inflation level. Despite that, inflation is going up.

Inflation is going up for other reasons. One is the crisis in the energy sector; another is the importation of food, which was the main factor in yesterday's Statscan statistics for May. If we look at this seriously, we will see that we have a very serious crisis in the food processing industry because that industry has been disappearing in Ontario. We are forced to import our food

because our local, indigenous industry has been slowly dismantled and destroyed as a result of lack of support by this provincial government.

Those are the causes of inflation, not the wage and salary spiral, which just does not exist but which perhaps will be prompted by the fact that inflation is not subsiding and is actually going up while at the same time, and despite the high rate of interest, it is subsiding in the United States. Those are the reasons we oppose this bill.

**3:50 p.m.**

We think the economic policy of the government is totally wrong; its approach is wrong. If the government had come to this House and told us it wanted to adopt the supply-side economic approach that Reagan adopted in the United States, perhaps we would have opposed it on the basis that it would have meant slashing social services that are extremely important and accepted as a way of life in our society at this time, but at least we would have understood that.

However, the government of Ontario is not doing that. It has adopted an Ontario version of Reaganomics that is not even recognizable. If the government had adopted the supply-side economic approach, it would have reduced taxes, including income taxes. But the government has not done that. In fact, it has increased income taxes, and it has increased Ontario health insurance plan premiums. We know that for an average family in Ontario the budget means an extra \$300 a year in taxes.

Another factor I want to point out, which is really crucial in Metropolitan Toronto, is that property taxes will go up, not only because of the usual policies of this government with its transfer grants reducing year after year—since 1975 we have seen a decreasing component of provincial grants in the financing of the municipalities and the school boards—but also because the provincial government, in its incredible imagination, has found a way to tax boards of education and municipalities when they undertake any new project, which means in effect that local governments will be forced to transfer taxes to the taxpayers in the form of property taxes.

As we all read today, the Treasurer met yesterday with representatives of the boards of education of Ontario—

**Hon. Miss Stephenson:** It was a very good meeting.



**Mr. Di Santo:** The Minister of Education, with her dogmatic conviction, says it was a very good meeting. In fact, the chairman of the Ontario School Trustees Council said he went to the meeting concerned about the fact that the Treasurer had imposed taxes on construction materials for boards of education which in effect would mean they would be faced with a new cost they had not provided for. When he came out, he said: "The minister convinced us. But we asked him to postpone the implementation of the budget for a while so we can plan the increases in property taxes."

The Minister of Education said that was an excellent meeting. I want her to go to her constituents next year and ask them if they feel that was an excellent meeting.

**The Deputy Speaker:** I am having a problem.

**Hon. Mr. Ashe:** We are on Bill 114. Let's get on with the subject and get it finished.

**The Deputy Speaker:** That is exactly what I was about to bring to the member's attention. If he can tie this in to Bill 114, by golly he will have done something.

**Mr. Di Santo:** Exactly, Mr. Speaker. That brings us back to Bill 114 and explains why the minister is giving a tax holiday to his friends the winners at a time when revenues are shrinking because of the inability of the government to stimulate the economy. The government has to get money, and where does it go? It goes to the poor people: to home owners, to those on fixed incomes and to senior citizens, because they do not dare to tax their friends the winners.

The Minister of Education is so ashamed she is leaving the chamber, and she is right.

**Hon. Miss Stephenson:** Oh, no. I am not.

**Mr. Di Santo:** I want to conclude my remarks. I meant to be brief, but I want it to be on the record that I have something to tell the Minister of Revenue. I understand that he has no power in the cabinet; he is just a Simon of Cyrene, the guy who was forced to bear the cross without any responsibility. He is in a most unhappy situation. He has to defend decisions that have been made by the Treasurer, I suppose without even knowing what was in the budget. Apparently that is the way his cabinet operates. We saw that when they bought Suncor, and I think that is also what happened with the budget.

I want to tell the minister that if the government were serious it would adopt a different approach. I do not know whether the minister reads the newspapers, but if he does he might have read just this morning that Quebec's

Minister of Finance, Mr. Parizeau, said that if the banks do not co-operate with the government in its program of propping up the construction industry, he will tax them. When this government comes to us with the same proposal, we will be willing to support the legislation; but until then—

**Mr. Gordon:** That's a New Democratic government in actual fact. It is a New Democratic government, and you know it.

**The Deputy Speaker:** Do not pay any attention to the member for Sudbury.

**Mr. Di Santo:** Mr. Speaker, I do not pay any attention to the member for Sudbury, because he has his own problems. He has yet to decide which side he is on in the Inco strike. His interjection is most inappropriate at this time.

I was concluding my remarks by saying that when this government comes to us with a proposition that is fair and tells us, "We will do to the banks what the government of Quebec will do if they do not co-operate"—they are not forcing them; they are just asking them to co-operate with their program to prop up the construction industry—then we will support the bill; but as long as the government comes here with this kind of discriminatory legislation, which gives an advantage to the winners and punishes the rest of the population, we will be forced to vote against it.

**4 p.m.**

**Hon. Mr. Ashe:** Mr. Speaker, I would just like to put this piece of legislation into a little perspective and, I hope, try to tie it in to some of the rather repetitive points that were made by the numerous speakers. I guess there have been eight people who have spoken on the bill.

The most common thread that worked through the various parts of the debate related to the fact that in this piece of legislation the government is dealing with the winners and forgetting the losers; there is also probably a great difference of opinion as to how many businesses will potentially benefit from this program versus how many small businesses are out there, how much is involved and how many new jobs will be created. I will try to address a few of those points. I do not think it is any great revelation to suggest that history itself will prove which numbers are correct; but, as is true in any document of this nature, in any budget, of course, estimates are brought forward and some will prove to be more accurate than others.

It has been indicated on many occasions that this program is expected to recycle back into

the small business community, either through forgoing the payment of tax or through refunding taxes in those cases where it has already been paid, something on the order of \$250 million, followed by an estimated \$115 million in the second year of the two-year tax holiday. We also expect that possibly as much as \$75 million will be refunded to small businesses.

We estimate that approximately 60,000 businesses will benefit. We expect up to 30,000 that have already paid tax instalments will apply for refunds, and several thousand already have; in many other cases I would imagine that those businesses that have a fiscal year that ends anywhere around the middle of this calendar year will probably not apply for a refund per se but will wait until they file their corporate tax return and get a refund in due course.

**Mr. T. P. Reid:** How about retroactive to January 1, when most people have their tax year?

**Hon. Mr. Ashe:** Mr. Speaker, the honourable member from the river that is rainy asks, "Why do we not make it retroactive to the first of the year?" I would suggest to him that in most cases in this kind of legislation, retroactivity of that nature is probably not appropriate, and I do not see that it has any great relevance.

We are talking about a bill that allows a corporation to choose the two tax years as long as they end after the date of the budget. I would suggest that this little bit of flexibility, if you will, is most beneficial to them. If they have started their fiscal year coincident with the calendar year, next January 1, which is not very far away, will probably be their first year of the two; and as I have already indicated, these same businesses can apply for a refund of any of the taxes they had paid on account of that fiscal year and get a refund accordingly.

I do not see how retroactivity to the fiscal year bears any relevance to the amount of money that will be recycled back to the small corporations to assist them in maintaining their viability, in expanding their businesses, in maintaining their employment and, I hope, expanding to new employment. Sure, it will be more attractive to some businesses than to others.

Frankly, neither the Treasurer nor I have any philosophical misgivings about this piece of legislation. We do not agree with the description used, particularly by the third party, that nobody out there is winning and we are only dealing with discriminatory legislation; that we are only giving holidays to our friends, the winners—all of these things. In my view, the

winners are where we are building up the development of tomorrow.

It is fair to say, and statistics will prove, that in the past few years the majority of new jobs have been created by small businesses. These jobs are being created by the winners. I see nothing wrong in this economy in assisting that sector further to do the job which in the last few years it has proven it can do reasonably well even in trying circumstances.

There are many other opportunities for small businesses to be assisted. The point was made that it does not help unincorporated businesses. That is very true, and it has been pointed out on more than one occasion. We have no control over the rules and regulations as they affect the personal income tax rate. We agree, by our collection agreement with the federal government, to abide by the rules and regulations it makes in that regard. It is one of the reasons we are investigating whether it might be appropriate in the future for Ontario to have its own personal income tax system. Obviously, that kind of flexibility is one of the reasons. At the moment we do not have that flexibility so we have to go by what the federal government deems appropriate.

We have great expectations that next Monday night the Minister of Finance in Ottawa will undo a lot of the wrong he did last November, as well as before then and since. We will be supportive of his efforts in that regard. Wherever possible, we will dovetail programs from this province to help those in need as well as to assist the winners in their job creation activities.

One idea which ran through the various numbers brought out was that the overall budget loses jobs. We do not buy that argument at all. That is not really relevant to this debate on Bill 114 but, overall, some of the numbers of jobs lost are inaccurate and will prove to be so over some period of time.

Although I did not quite understand most of what the member for Erie (Mr. Haggerty) was talking about, to be honest, generally his remarks related to the bank section. I would like to read the paragraph I read in my opening statement relative to that and expand upon it slightly:

"The second set of administrative amendments relates to the calculation of paid-up capital"—those are the key words—"of banks and loan and trust corporations. With respect to the banks, the bill introduces new terminologies in place of the old ones in order to bring them in line with the revised terminologies used in the Bank Act. The bill also provides that where a



bank or trust corporation uses the equity basis of accounting for its investment in another corporation, the share of the earnings or losses of that other corporation will be excluded when computing the paid-up capital of the bank or the loan and trust company."

Most of the changes in here are to bring our terminologies in line with the new Bank Act in federal legislation. We are not talking about banks avoiding taxation. We are talking about avoiding double taxation. Most of us recognize that avoiding double taxation is not trying to get away from—I will use his term because I wrote it down verbatim—"profits at both ends of the line."

If corporations with subsidiaries, whether they be banks or otherwise, are making profits at both ends, I assure the member that both ends are taxable. But that does not suggest it is fair that both ends should pay twice because a subsidiary is taxable.

That is all this amendment clarifies in the context of the banks as it relates to their capital and the capital tax they pay accordingly. It just brings the treatment of banks and trust and loan companies to the same status other corporations have had right along. It is not giving them any further benefit in any way whatsoever.

**4:10 p.m.**

I have just one last point I want to make relative to the overall situation of the so-called "winners" who are the beneficiaries of this particular piece of legislation. It has been lauded by all of the small business associations and by the various business publications. I think the results over the next couple of years will prove it was a very exciting concept that was in the 1982 budget of the Treasurer of Ontario.

We have many other places where small businesses and many other businesses, whether incorporated or not, can benefit through programs of this government. I would like to touch upon a few.

There is not only this piece of legislation to which corporations can go to receive assistance. I will not go into them in detail. In the reference to banks, I did touch on the subject of capital tax, although banks do not fall into the category of small business.

In the matter of capital tax, this government and its fiscal policies have given preferential flat rates of capital taxation to small business for many years. Small businesses with paid-up capital under \$1 million pay a flat rate of only \$100; and if they are under \$100,000 of paid-up

capital, the flat capital tax is \$50. Again, that is a benefit for small business.

We give special treatment under small business development bonds, which is permitted under Canadian income tax provisions. The small business development corporation has been very beneficial to small businesses.

**Mr. T. P. Reid:** On a point of order: The minister has been complaining for the last few days about people straying from the principle of the bill.

**The Acting Speaker (Mr. Cousens):** Will the minister resume his seat? I am accepting a point of order.

**Mr. T. P. Reid:** There is nothing about SBDCs in the bill.

**The Acting Speaker:** To the honourable minister: We are talking about Bill 114 and I just presumed, in this litany, that you were referring to it.

**Hon. Mr. Ashe:** Yes, I was, Mr. Speaker. The reason I was alluding to this—and there are many other benefits and programs I could suggest to you; I have literally pages of them—is that it was said by virtually every speaker on the other side that this particular piece of legislation was doing nothing for many small businesses. I just wanted to put it on the record that there are many other ways this government, through its programs, provides assistance to all sizes of business, including small incorporated businesses, sole proprietors, partnerships or whatever. This is just one very significant thing.

**Mr. T. P. Reid:** Now he is doing it again. It is a travesty of the rules.

**Hon. Mr. Ashe:** In any event, Mr. Speaker, I appreciate, generally, the remarks which were made. I know when we take the vote on second reading of Bill 114 at about 10:15 p.m. tonight, there will be practically unanimous support for this excellent bill and what it will do for small businesses in Ontario.

**The Acting Speaker:** Was there agreement that the votes from second readings would be stacked until later on tonight? Was there unanimous agreement on that? No?

**Mr. McClellan:** Take the votes first, then we will stack them.

**The Acting Speaker:** Mr. Ashe has moved second reading of Bill 114.

**Mr. Nixon:** On a point of order: We always get into a small problem when we stack second readings. Is it not customary that the minister, if he has finished his remarks, simply adjourns and

then we resume the debate, which is then completed whenever we want to have the vote? Why does he not just do that?

**Hon. Mr. Ashe:** I have no problem with doing that. As a matter of fact I suggested that procedure yesterday and was advised that the respective House leaders had agreed to do it another way. I always like to accommodate the House leaders of the three parties. I was told the same thing today. I can do it whichever way suits the purpose.

**The Acting Speaker:** I think there is a way. It may be on the same subject. If the honourable minister would move adjournment of the debate and there is the unanimous understanding of the House, it could then be raised at 10:15 p.m. this evening.

**Mr. Nixon:** We agree to that.

**Mr. McClellan:** On a point of order: It does not make any difference, but is it not possible to have the voice vote now and the formal standing vote—

**Mr. Nixon:** It is even possible to have a voice vote on the matter.

**Mr. McClellan:** I do not understand why this is so contentious. I understood the normal procedure is we have a voice vote. If five members stand and request a formal division, the vote is then stacked by agreement until 10:15 p.m.

**The Acting Speaker:** I find that an acceptable method. Is there unanimous agreement that we have a voice vote now, and if the motion does not carry and it should be required that we call in the members, the members will be called in at 10:15 p.m.?

I accept that as unanimous agreement; therefore we shall proceed.

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Vote stacked.

House in committee of the whole.

#### TOBACCO TAX AMENDMENT ACT

Consideration of Bill 112, An Act to amend the Tobacco Tax Act.

**Hon. Mr. Ashe:** Mr. Chairman, I think you can just call all the sections of the bill.

Sections 1 to 4, inclusive, agreed to.

Bill 112 reported.

#### PROVINCIAL LAND TAX AMENDMENT ACT

Consideration of Bill 113, An Act to amend the Provincial Land Tax Act.

**Hon. Mr. Ashe:** Mr. Chairman, as I indicated yesterday in my opening remarks on Bill 113, I will have three amendments, two in section 6 and one in section 19. I explained the reasons for them. I can go into more detail as each respective amendment is introduced. The first one relates to subsection 6(1).

**The Deputy Chairman:** In that case we will carry the sections up to that and will move through the bill.

Sections 1 to 5, inclusive, agreed to.

On section 6:

**The Deputy Chairman:** Mr. Ashe moves that subsection 10(3) of the act, as set out in subsection 6(1) of the bill, be amended by adding at the end of that portion of the table of rates set out therein, headed Gas Transmission Pipeline, the following:

"42" . . . Outside Diameter . . . \$29.50"

**Hon. Mr. Ashe:** The new size of pipe that is now being laid in northern Ontario was not utilized before.

4:20 p.m.

**Mr. Nixon:** When so many of these sorts of details are put in the regulations, why does the minister feel that it has to be part of the statute? If they bring out a 44-inch pipe tomorrow, do we amend the bill?

**Hon. Mr. Ashe:** Mr. Chairman, the only reason I can suggest is that they are already identified and it is unusual to have new sizes. There are many other sizes, it is just that this is a new, bigger size. The member can say it can be made bigger again, but they are included now in the legislation and it is for consistency.

**Mr. Stokes:** I have not seen a copy of the amendment but I know its implications. It gets me back to something I asked yesterday, to which I did not get a response. In this bill, which is an amendment to the Provincial Land Tax Act, the minister indicated the twinning and looping of TransCanada PipeLines' system through Ontario has taken place over the past several years. In some places it has even tripled, but the rate of taxation based on the diameter of the pipe is different for the main line than it is for the twinning and the looping.

It is obviously in TransCanada PipeLines' interest to increase their capacity to hold, contain and to transmit natural gas by this



twinning and the looping. That is the purpose of the whole exercise. I wonder why the minister is taxing the looping and the twinning at a lesser rate than the main line itself? I think I have raised that. If I did not, I intended to do so yesterday.

He is talking about the additional sizes up to 42 inches when the previous pipe was 38 inches. Why is the minister taxing the same diameter pipe at a different rate simply because it is not the main line? It is the twinning and the looping, which they can cut in with their sophisticated technical devices at all of these compressor stations that are situated about every 30 miles along the gas line. Why would the minister give them a lesser rate for essentially performing the same function. It is the same diameter pipe and yet it is taxed at a much lower rate simply because they are twinning and looping to increase the capacity. I still have not received an answer. Why would it be a lesser rate for the twinning and the looping than it is for the main line itself?

**Hon. Mr. Ashe:** Frankly I do not have the answer but I will take a stab at it. My officials are listening to indicate whether or not I am correct.

It is my understanding that in relation to the size of the pipe itself the actual rates are the same. Where there is a recognition of duplication in the same channel and tunnel the rates are less. I think that is rather consistent with any form of assessment. That is really what this is. It is a form of property assessment, in this case the pipe being the real property. That is where the differential comes in. It was not my understanding that, in the transmission sense, if it is a transmission pipeline, it carries a different rate, except in the case of more than one transmission pipe in the same tunnel. I am told that is correct. That was a good guess.

Motion agreed to.

**The Deputy Chairman:** Is there any other amendment to section 6?

**Hon. Mr. Ashe:** Yes, Mr. Chairman. I have an amendment to subsection 6(2).

**The Deputy Chairman:** Mr. Ashe moves that subsection 10(12) of the act, as set out in subsection 6(2) of the bill, be struck out and the following substituted therefor:

"12. A pipeline installed before 1970 shall be assessed for taxation at the rates set forth in subsection 3 but shall be depreciated up to the year 1970 at the rate of five per cent of the assessed value of the pipeline every three years from the year of installation, with a maximum

depreciation of 55 per cent, and no allowance of depreciation shall be made with respect to a pipeline that is installed during or after 1970.

"13. The rates set out in subsection 3 and the year up to which depreciation is allowed set out in subsection 12 shall be reviewed by the minister in 1986 and every third year thereafter and in any such year the Lieutenant Governor in Council may by regulation amend or re-enact the table of rates set out in subsection 3 or change the year up to which depreciation is allowed set out in subsection 12.

"14. Notwithstanding any provision of this section to the contrary, the Lieutenant Governor in Council may, where two or more pipelines occupy the same right of way, by regulation, designate the second and subsequent pipelines and, by regulation, prescribe the percentage of the rates set out in subsection 3 at which the second and subsequent pipelines are assessable and taxable and the percentage of rates as so prescribed shall apply until such percentages of rates are altered."

**Hon. Mr. Ashe:** I will try to explain, if I may. First of all, we are recognizing that pipes through unorganized areas also depreciate, as they do in organized areas. That is the principle purpose. They depreciate at the rate of five per cent every three years of their life, with a maximum depreciation of 55 per cent. So it is presumed that, as long as they are there, they carry at least 45 per cent of their value.

It also recognizes that 1970 is the base year up to which depreciation can take place but not after that. The next section allows us, from time to time, to review whether 1970 should be advanced, and that would be looked at regularly every third year thereafter. For example, in 1986, the base year could be changed to 1980, and quite possibly it will be. That will change the basis of the assessment.

The third part is as I have described before in the case where there are multiple pipes.

**Mr. Stokes:** I have just one brief comment on this amendment, which has to do with the assessment.

I know this bill deals specifically with transmission lines in unorganized territory. Is the minister aware of any discussion or inclination, in the situation where a major compressor station pumping this gas through the system has the employees who work at that compressor station relying on a dormitory community for services, such as doctors' services, hospitals and other essential services, to make this facility taxable for municipal purposes so that the

community can benefit from that industrial undertaking which is just outside it?

**4:30 p.m.**

I am speaking of the town of Geraldton, where the minister's colleague the Minister of Municipal Affairs and Housing (Mr. Bennett) has been trying to convince the town that it should annex or take in some unorganized communities whose residents were once engaged in the gold mining industry, which is no longer the case. Those people are finding it extremely difficult to generate sufficient funds by their own means to put in water, sewage treatment facilities and everything else.

His colleague is asking the town of Geraldton to take on these areas, and there is no incentive for Geraldton to do that because they are a liability and would not carry themselves with regard to the amount of infrastructure money that would have to be provided. On the other hand, there is a compressor station just outside Geraldton and the town might be convinced to take on these liabilities down on the south end if it could have the advantage of taxing this compressor station that is just beyond its boundaries on the north end.

I know that it is not directly related to this bill except as it applies to pipelines, but is the minister aware of anything that is being done to put some onus on the industry to pay for municipal services upon which their employees rely and which they enjoy?

**Hon. Mr. Ashe:** Mr. Chairman, I am not aware of any discussions in a direct way. I think yesterday I indicated in a general way there is no doubt that we plough back into the unorganized areas much more money than we take out through the Land Transfer Tax Act. That applies virtually anywhere in the north.

I think the situation to which the member addresses himself could probably be taken care of in many ways. The first would be if the town of Geraldton, as such, were to expand its municipal boundaries to encompass some of what are now unorganized areas, including the substation. That would bring it into its taxing jurisdiction. That is possibly one way.

I think there are situations—I cannot think of a specific case, to be honest, but I believe I have heard of them in the past—where a particular company, whether it be a transmission company or whatever, recognizing the contribution that a nearby community makes, enters into an agreement with the municipality because of the

services it is providing. I suppose that might be another way.

A third way would be to recognize the situation in the way of grants through Municipal Affairs and Housing. However, I do not know of any direct way that the unorganized areas can suddenly be channelled—and these are relatively small amounts when one thinks of the magnitude of the north—the few million dollars involved here, and we are only talking pipelines at the moment. Even in the overall land tax the revenue generated is relatively small.

I would suggest there are possibly ways to solve the problem, which I appreciate. I agree with the member that the case is a justifiable one, and I am sure it comes up in many circumstances across the north.

Motion agreed to.

Section 6, as amended, agreed to.

Sections 7 to 18, inclusive, agreed to.

On section 19:

**Hon. Mr. Ashe:** Mr. Chairman, if I may have the indulgence of the House for a minute to revert to the last question, I am sure the honourable member is aware of it, but the fact is that this local community does have the option of forming, outside its area, a local service board which could recompense it for services it might be providing to a facility that was out beyond.

I know the member is talking about two kinds of situations, that is to say firefighting, garbage collection and that kind of thing.

**The Deputy Chairman:** Was the minister going to place an amendment?

**Hon. Mr. Ashe:** Yes.

**The Deputy Chairman:** Hon. Mr. Ashe moves that clause 38(d) of the act as set out in subsection 19(1) of the bill be struck out and the following substituted therefor:

“(d) For the purpose of subsection 10(13) amending the table of rates set out in subsection 10(3) and changing the year up to its depreciation shall be allowed set out in subsection 10(12);

“(d)(a) For the purposes of subsection 10(14) designating second and subsequent pipelines and prescribing the percentage of the rates set out in subsection 10(3) at which second and subsequent pipelines shall be assessed and taxed.”

**Hon. Mr. Ashe:** Mr. Chairman, this allows



regulations to be made on the sections that we have just dealt with.

Motion agreed to.

Section 19, as amended, agreed to.

On section 20:

**Mr. T. P. Reid:** Mr. Chairman, just as a matter of irrelevant interest, why does this act go into effect in January 1983, given that most of the minister's other budget provisions begin as of the budget date or April 1?

**Hon. Mr. Ashe:** Mr. Chairman, it is because we are talking about a form of land tax which is normally based on a calendar year for municipal purposes. In this case we are talking unorganized areas, but for municipal purposes we talk about the calendar year, so this is consistent with the way organized areas treat assessment questions.

Section 20 agreed to.

Section 21 agreed to.

Bill 113, as amended, reported.

On motion by Hon. Mr. Ashe, the committee of the whole House reported one bill with amendments and one bill without amendment.

#### EDUCATION AMENDMENT ACT (continued)

Resuming the adjourned debate on the motion for second reading of Bill 46, An Act to amend the Education Act.

**Mr. Bradley:** Mr. Speaker, I think I was in mid-flight at the point of adjournment of this debate. I had expressed a number of views about this, and I do not intend to dwell on it at great length this afternoon by being repetitive, other than to say that I am encouraged by one area, because I had planned to introduce an amendment which would have deleted section 57 of Bill 46 which, as we know, is An Act to amend the Education Act.

The reason I wanted to move that amendment—I am not speaking on the amendment—was because of groups such as the Young Men's Christian Association and the Young Women's Christian Association in London, Ontario. We received a rather lengthy letter from these groups, who are concerned about the aspect of the bill that deals with the power of municipalities to exempt special-interest groups, charitable organizations we would call them, people such as those who would operate the YMCA or the YWCA in a municipality.

4:40 p.m.

I wanted to move the amendment because it is my belief that these organizations grow, thrive and exist only because they are given some kind of tax break and if municipalities no longer had the power to give that kind of tax break many of these groups, which have gone into rather large capital projects and are providing such an essential and vital service to a community, would find themselves in considerable financial trouble. I think they alleviate some of the burden for government because they provide some services which in other countries are provided by the government directly to the taxpayers.

The parliamentary assistant will correct me if I am wrong, but it is my understanding the government intends to withdraw that section of the bill. I would certainly be pleased with that and my amendment would not be necessary. It is one of the areas I expressed concern about and I am pleased the government has been prepared to move in that direction. Even though I recognize the Association of Large School Boards in Ontario would have been supportive of that amendment, I still think it is a wise decision of the government to comply with our request and to proceed by removing that section of the bill.

I indicated in my earlier remarks I was somewhat concerned about a general trend towards centralization of control in Ontario. We in this party have traditionally been a party of local autonomy. When we get to another bill later today, I will be talking about local autonomy again. In the legislation and some of the regulations, we see consistently forthcoming from the Ministry of Education a desire to centralize the control of education. I understand the government—

**Hon. Mr. Norton:** Who talked to you about local autonomy, Pierre Trudeau?

**Mr. Bradley:** I have absolutely nothing to do with federal politics. The minister will understand I have been elected to the Ontario Legislature, therefore I will concentrate all my efforts at the provincial level and allow others to deal with the federal level. I know the Speaker will be pleased to hear I intend to do so. Where was I? The minister interrupted me when I was in full flight. It was on the importance of local autonomy.

I see a slow erosion even in parts of this bill, and we will see a more rapid erosion in Bill 127. They may appear to be minor housekeeping items, but they tend to show this drift towards centralization of control. I know the ministry

provides a good deal of the money for the operation of education, even though the amount on a percentage basis per year has diminished rather significantly in the last few years in terms of the grants to the boards of education.

Nevertheless, I see this movement which I do not consider to be healthy for our province, which has existed well through strong local autonomy. I know I would strike a responsive chord with the parliamentary assistant who was a mayor of the municipality of Stoney Creek. He was also very much involved in the Association of Municipalities of Ontario and would understand the importance of maintaining a strong local component in the decision-making process, whether it be in education or municipal affairs.

I note the government is giving the trustees a chance finally to set their own pay. I suppose to a certain extent this is a double-edged sword. We can say, on the one hand, that we are treating them the same as municipal officials and that it is fair to treat them the same as municipal officials who have the opportunity to raise or cut their pay whenever they want. The restriction is put into this legislation that this can occur only previous to a municipal election; at least it has to be set for the next group that is elected.

I noted in a publication entitled OSTC Education Reports, an item in the June 14-18, 1982, issue, "Trustees Considering New Salary Rates."

It says: "With Ontario school boards having the right to set trustees' salaries effective with next November's province-wide elections, the subject is becoming more widely discussed. 'In Metro Toronto, all boards should agree to pay the same trustee remuneration,' according to Scarborough trustee Barbara Farba.

"She said: 'Some Toronto trustees are proposing to pay themselves the same salaries as that of the city aldermen, \$27,000 per year. This compares with the present trustee maximum of \$7,200 per year. A lot of Toronto trustees consider themselves full-time. A lot of trustees in the suburbs are also full-time but I do not think they should necessarily be paid the same as their municipal counterparts,' Mrs. Fabra said."

This is one of the concerns in the minds of the taxpayers. One of the reasons the government has been reluctant to give this power to boards of education is because they are afraid we will have an assault on the pockets of the taxpayers, similar to the assault the provincial Treasurer (Mr. F. S. Miller) just perpetrated upon the tax

paying public of Ontario. I must say it does concern me to see those proposed salary levels.

**Hon. Mr. Norton:** Again, who talked to you about local autonomy, Pierre Trudeau?

**Mr. Bradley:** I said it concerns me to see that. I support local autonomy and I support that provision, but I certainly caution those at the local level in boards of education that they will incur the wrath of the electorate and perhaps of the provincial government if they take this responsibility upon themselves and then line their pockets. I think the overwhelming majority of trustees in the province have no desire to do so and are simply looking for compensation commensurate with the amount of effort and time they put into their jobs.

We have to be careful when we see substantial increases like that. Some trustees will find something to do, even if they do not have to justify that \$27,000 or whatever it might be. However, we support that provision in the bill and, as I have indicated, the term of office must be the same as municipal councils. I do not see any sense in not having that.

The Association of Large School Boards in Ontario has communicated with the Minister of Education expressing their concerns about a couple of areas. I would like to share with the House some of those concerns they have expressed to the minister. In a letter dated May 7, 1982, addressed to the minister, the association, through D. S. Lawless, the executive director, has stated some concerns about this bill.

"This association has reviewed the proposed amendments to the Education Act as contained in Bill 46, An Act to amend the Education Act, now before the Ontario Legislature. Our concerns related to the majority of the amendments forwarded to you on November 26, 1981, in response to Bill 164—that was the predecessor to this bill—"tabled in the Legislature in the fall session of 1981.

"The new bill contains two additional amendments about which I must register the concern of the Association of Large School Boards in Ontario. They pertain to section 3 and section 49 of Bill 46.

"Section 3, subsection 5 provides that subsection 8(1) of the Education Act is amended by adding thereto the following clause:

"(z) In respect of schools under the jurisdiction of a board, issue guidelines respecting the closing of schools.

"This association stated very emphatically its



position on this matter in our response to Issues and Directions. Our position is reiterated below:

"The majority of the member boards of the association support the concept of each school board developing its own school closure policy. Indeed, most school boards would welcome guidelines from the ministry which would facilitate the development of relatively common policies that can be adapted successfully to local needs. The association cannot, however, the concept of provincial criteria which are established by the government and imposed on school boards. Individual school boards are in the best position to determine what criteria should be included in a school closure policy and local autonomy and accountability in this regard should not be eroded."

To comment very briefly on that, once again we reach a dilemma. The Minister of the Environment (Mr. Norton) interjected before, and rightly so, recognizing the dilemma of not only government but members of the opposition who find themselves either supporting or not supporting this provision.

I could use the example of Sarnia, where I feel that if the regulations had been followed in Sarnia perhaps the decision would not have been made to close Sarnia Collegiate; it is difficult to say. The minister is satisfied they met the requirements of the ministry officials and the ministry guidelines.

On the other hand, one could say perhaps the ministry will look more favourably upon keeping schools open than the local boards of education. In the hands of certain boards of education, the power to close schools, exclusive of any provincial criteria, would frighten me considerably. In the hands of other boards of education I would have no such reluctance to see that power put in place; so it is a difficult question.

**4:50 p.m.**

I would have to come down on the side of some fairly careful ministry guidelines on the closing of schools and, therefore, I am in support of this. I think we must have input from various groups such as parents, teachers' associations, home and school associations, teachers' federations, members of boards of education, several people looking at the specific criteria to be applied to the school-closing guidelines put forward by the ministry. I think it is important we have that input. I do not deny the ministry should set forth those guidelines, but I think the guidelines would have to vary.

The member for Lake Nipigon (Mr. Stokes) is

here, and he recognizes the problem he encountered with the Schreiber secondary school and the fact that it is difficult to apply certain guidelines that would affect large municipalities, for instance, in southern Ontario, or areas that may be rural but not as remote as those in northern Ontario. They do not have the kind of decline in enrolment we see in some elementary and secondary schools in remote areas of northern Ontario.

The problems are different around this province and we have to have some kind of flexibility in those guidelines, or perhaps a different set of guidelines for schools that find themselves in different circumstances. I am confident the report of Rodger Allen, who is doing a study of those circumstances at the present time, will provide a reasonable basis upon which to set out guidelines that would affect particular areas of the province.

A second area the Association of Large School Boards in Ontario is concerned about is section 49 of Bill 46, which reads as follows:

"(1) Subsections 173(1) and (2) of the said act are repealed and the following substituted therefor:

"(1) Where a board acquires a school site under subsection 171(1), (2), (3) or (4) for the purpose of conducting thereon a natural science program and other out-of-classroom programs, the board shall obtain the approval of the minister before it erects, adds to or alters buildings on or makes other improvements to the school site for such purpose.

"(1a) Subsection (1) does not apply with respect to a school site acquired by a separate school board under section 171(1) or by a county or district combined separate school board under subsection 171(3) where the cost of the erection of, the addition to or the alteration of the buildings on the school site or of making other improvements to the school site is provided entirely by the separate school board."

The association states as follows to the minister: "This association requests an explanation as to why the proposed amendments treat boards of education in a manner which is different than for county or district combined separate school boards. ALSBO supports the principle of the approval of the Minister of Education being required when the cost of the alteration of buildings on the school site or other improvements to the school site are shared by the board and the province of Ontario. However, all school boards, not only county or district combined separate school boards, should be free to

make such alterations and improvements when the cost is provided entirely by the board.

"The Association of Large School Boards in Ontario respectfully requests that subsection 3(5) of Bill 46 be removed and section 49 of Bill 46 be amended to make the provisions of 49(1a) applicable to all school boards."

Those are a couple of areas where the association has expressed some concern. I could look at some other areas I am sure the minister addressed when she read this correspondence herself. This is looking back at Bill 164, unfortunately, and I think there have been some changes made. The minister is aware of this, so I will not go through it in detail. The association expresses concern about the acquisition of land for natural science programs. I do not think it likes the further restrictions that have been placed on that. I would like the minister to address that. It looks for the clarification that would be required on the approval process being established for this provision.

It supports the amendment on the fees for pupils, "but hopes it refers only to students who are in Canada on a student visa for the purpose of obtaining an education in Ontario. We would hope this provision would not penalize Ontario residents who are here on work permits and who have school-age children." The government has probably addressed that in the new bill.

As they said, "Since the parents would be classified as bona fide residents in Canada, it does not seem fair or reasonable to charge fees for their children to attend public school."

They also wanted to make it clear "that elected members of French-language advisory committees are subject to the same qualifications and disqualifications as members of the board, especially if the elected committee members are acting in an advisory capacity to establish and operate French first-language units at the elementary level."

They had some other problems, such as competition with the private sector. The member for Oakwood (Mr. Grande), the critic for the New Democratic Party, raised this particular concern during the estimates. When he talked about the competition with the private sector, the minister did provide some clarification but we were concerned that this might be overly restrictive.

Their comment was: "It would appear that school boards require much more flexibility than this amendment would allow if they are to meet the special needs of students. The ministry should be more open in its attitude and approach

to activities that can benefit students despite the fact that they are not 'traditional' educational activities. If the ministry is concerned that school boards will compete with the private sector, it should develop criteria or guidelines on what 'nominally related' activities or programs are acceptable. These criteria would give school boards the opportunity to submit policy proposals or procedures to the ministry for negotiation and/or approval. An amendment to the act on this matter is not required," according to the Association of Large School Boards in Ontario.

There are other areas, such as the school attendance requirements. They wanted clarification on "who is responsible for the fees and expenses of a student who must attend another secondary school in order to obtain a credit which is a prerequisite for a program offered by a college of applied arts and technology."

**Mr. Cooke:** On a point of order, Mr. Speaker: Will you check and see whether there is a quorum, please?

The Deputy Speaker ordered the bells to be rung.

**5:01 p.m.**

**The Deputy Speaker:** A quorum is present.

**Mr. Cooke:** On a point of order, Mr. Speaker: I thought it would be inappropriate to proceed with this bill without the parliamentary assistant or the minister. But I see the parliamentary assistant has just walked in. We have the second string; so I guess we can proceed.

**Mr. Bradley:** Mr. Speaker, I am pleased to see such a large audience has gathered for the remainder of my remarks, which will be relatively brief.

There are two areas that are of great concern to those of us in the opposition and certainly to the Association of Large School Boards in Ontario and others in the educational community. The first may sound innocuous, and my friend the member for Kitchener-Wilmot (Mr. Sweeney) might touch on it later as a former director of education. As a courtesy he used to send a copy of his annual report to the Ministry of Education. That is now mandated by this legislation, and there are some who see this as a further erosion of local autonomy and are concerned about this as an intrusion into local affairs.

The other one, which has drawn some real questions, has been access to books and records. ALSBO, for instance, objects strenuously to this amendment on the grounds that "the ministry



already has access to school books and records through the school board. If a board refuses to provide the desired information, there are sanctions already available to the minister."

We are seeing them creep more and more into the everyday activities of the local school boards, and that is where they are starting to raise the hackles of not only the board members and the board administration but also the teachers in the system and the parents, who ultimately are interested in the products of the system.

I have outlined a number of areas of concern. I am going to allow my friend the member for Kitchener-Wilmot to discuss a couple of areas of concern to him. I have looked at areas where we see some real problems with this bill. Even though it is characterized as a housekeeping bill we still see it as an effort to centralize; we still see it as a growing tendency to have ministry officials bypass the administration of boards of education by dealing directly with the local school and therefore undermining the authority of the boards, particularly in the provision I was talking about in terms of access to the books and records of an individual school.

Generally speaking, we probably would find many sections of this bill to be acceptable and indeed of a housekeeping nature, but we have expressed our concerns about the others. I have commended the ministry on withdrawing, at the insistence of the Liberal Party in the Legislature, the one section that would have had a devastating effect on the Young Men's Christian Association, the Young Women's Christian Association and other charitable organizations in this province.

I will be speaking on any amendments that might come forward from the ministry at the appropriate time.

**Mr. Grande:** Mr. Speaker, I rise to speak on Bill 46, An Act to amend the Education Act, and to say basically, as the minister pointed out on the introduction of this bill, it is primarily an omnibus bill that deals mainly with housekeeping measures. In taking a close look at the bill, there are a lot of housekeeping measures in it. There are some changes being brought in by the Minister of Education which the New Democratic Party welcomes.

However, I must point out to the House that at least three or four years ago the Minister of Education made a commitment to bring a new Education Act into the House. What we are seeing is the piecemeal approach that this government is noted for, changing things a bit at

a time so too many people do not get excited at one time.

I also want to say that three or four years ago in the debate on Bill 19—perhaps some members may remember that—we were saying the government ought to institute a select committee on education for the simple reason that the many briefs we had before the committee indicated the people of this province were deeply concerned about educational matters. Of course, the Minister of Education said: "Absolutely not, we will not have a select committee on education."

I want to point out and put on the record that the New Democratic Party feels education is one of the issues this government has to deal with, because the people of this province demand that the government deal with the educational issues of today. Therefore, the New Democratic Party at its last convention passed a resolution to strike a task force on education. Within the next year or so we will be going around the province, to as many places as possible, and we will get input from as many people as possible on many different and diverse educational issues. We will certainly have many things to say either in this House or outside it about education in this province.

Briefly, I want to mention the things the New Democratic Party feels it can support in this bill. We certainly agree that the issue of trustee remuneration has come of age. If we are really serious about getting people to stand for election, we have to be serious and make sure those people are fairly paid, therefore we have no hesitation whatsoever in supporting that recommendation.

We have no hesitation either in supporting increase of the term of office for trustees, to three years. As with the aldermanic positions, it has been a matter of debate for some time in Ontario, basically with a rural-urban split on the issue; however, the government decided to bring in the bill and we are in support of that section.

We are basically in support of another section which changes the openness with which boards of education across this province do their business. The member for Beaches-Woodbine (Ms. Bryden) presented, and we debated, a private member's bill on this subject in this Legislature.

According to the Education Act, certain boards of education in this province have only to deem by a simple majority that a meeting be closed, regardless of what they are debating. We

are talking about public expenditures and about public education, and the public, be they parents or not, ought to be involved in a real way in the educational process of children, so for a board of education to decide to hold closed meetings whenever it suits its purposes really does not wash.

Basically, we support the fact there are only five areas in which a board of education in this province can say, "Because we are dealing with one of those areas we can have a closed meeting;" otherwise, this bill restricts boards of education from holding closed meetings and, as I said before, we will support that.

We definitely support the agreements relating to Indian bands in the province. I am sure members are aware that the federal government, after a long time, has seen fit to permit some Indian bands in Ontario to manage their own affairs. Of course, education is an essential function of any community and, basically, this bill permits Indian bands to manage their educational system. As far as I am aware, and I can be challenged on this, no member other than the member for Lake Nipigon (Mr. Stokes) has spoken in favour of giving the first citizens of this province the responsibility that is theirs, or the dignity and the respect that is theirs, in terms of managing their own affairs. We applaud that particular amendment to this act.

However, this party has some very serious concerns about this legislation. The member for St. Catharines (Mr. Bradley) mentioned some of those concerns. The emphasis that he puts on those concerns is different from mine in that I consider those particular areas to be essential.

The Minister of Education wants us to believe that this is just a housekeeping bill. None the less, disguised in this bill are some very powerful, ominous powers that the Minister of Education asks this Legislature to give to the government. I am referring to the power to close schools. I am also referring to the power to control schools by prohibiting schools in the public education system from providing programs that are or may be in competition with programs in the private sector.

Those are two very basic and fundamental principles. In effect, this government is saying—either through this bill or through the bill we will be debating later on this evening—"We just want to talk about local autonomy when it suits our purposes. We just want to use that so we will not be blamed for things that take place in this province; but when it does not suit our purpose,

well, local autonomy be damned." Basically, that is what this bill implies.

I am not the only one who uses those words. The Ontario School Trustees' Council uses exactly those same words. I am not going to quote the document, but they are saying basically: "We are very concerned about the trend that is taking place in Ontario. We are very concerned that the local autonomy principle, the principle on which the province and the education system have been based for the past 200 years, is being eroded almost daily."

Let me talk about the first aspect of the concerns we have as a party, and that is the closure of schools. This is for the benefit of the members who are in the Legislature, Mr. Speaker; of course, it is not for your benefit since you are very aware of what I am talking about.

Back in 1979 the government decided it was going to rule by memorandum in this province, and in December 1979 it issued a memorandum to the school boards entitled School Closure Policy which said, "You must follow certain steps." At that time, in 1979, Ted Bounsall, then a member of this Legislature and the education critic for this party, introduced a private member's bill in the House that basically spelled out certain procedures that needed to be followed for a school to be closed.

The Ministry of Education had conducted a survey back in 1979; it found that 352 elementary schools and 37 secondary schools would be closed in this province between 1979 and 1985. The information I have is that 159 elementary and nine secondary schools were closed up to the end of 1981; this information is for the period from 1977 to 1981. But if we look at the 1980-81 year, we find that 83 elementary and six secondary schools were closed. This means basically that if the same rate of closure continues for the year 1982, we still have a tremendous number of schools which, according to the Ministry of Education, have to be closed in this province.

Therefore, I ask why the Minister of Education and the Ministry of Education need to have this new power to issue guidelines and tell school boards what they should be doing in closing schools. The answer is very simple. The Ministry of Education and this government are frustrated by a slow process, and what they want to do is say to a school board: "This school and that school must be closed within a certain period of time. Make sure those schools are



closed, otherwise you will be penalized through our grant structure."

**5:20 p.m.**

If there has been one educational issue in the province that has literally torn the guts out of communities, divided and polarized communities into two camps but not necessarily 50-50, it has been the issue of school closures. Basically, I am not comfortable and the New Democratic Party is not comfortable about giving the Minister of Education that awesome power to close schools in this province.

If they made mistakes in the 1960s when they gave school boards the authority to spend the money to build schools, if they want to get the power from the school boards the ministry needs to direct education in this province, and if they are saying, "We made a mistake at that time and we mismanaged the education dollars at that time," I am not going to be the one to bail those people out.

The communities and children of this province should not be suffering the penalty of their mismanagement. Basically, what we are saying is, "If you want the power to close schools, the New Democratic Party is not going to be a party that is going to give you that power."

I hope I do not need to take out press clippings for the past couple of years. The member for Sudbury East (Mr. Martel) is in the Legislature. He can tell members the struggle that went on in the community when Copper Cliff closed down. Other members of this Legislature can tell the minister of the struggles that went on in their areas when people decided their schools should not be closed. The boards of education had not done the proper groundwork to come to a determination to close schools.

If the Ministry of Education wants this power to close schools in the province and wants to accept the direct responsibility for the closure of schools, we are certainly not going to help the ministry in that endeavour.

During consideration of the estimates of the Ministry of Education, I asked the Minister of Education the basic question: "What kind of work and studies have you done that indicate which schools need to be closed, which schools do you think need to be closed? What studies have you done to isolate the factors that are important to a community about its school?"

If the school is going to be the hub of community activity, it does not take a genius to realize that as soon as that school closes down the community begins to deteriorate. Parents

who have children in the school system will move out of that area. The negative snowball effect will continue and the deterioration of that community will take place. If the government wants to close schools, let it be on its head and on its head alone.

Back in November 1980, the Bureau of Municipal Research did a study called *School Closures—Are They the Solution?* I want to read certain sections of it: "Regardless of the process used, however, most boards have accepted closure as a fact of life. By this acceptance, many have also accepted that closures are beyond their control. Closures, in fact, do not necessarily have to be either inevitable or uncontrollable." The next section says, "Closures can create more problems than they solve. What is really needed is to have boards in Ontario widen their perspective and deal with closures in a comprehensive and organized manner."

The study mentions a survey done on some regions of the United States basically has nine or 10 different points stressing that closures are not inevitable, and it talks about what closures do to a community. It says: "Based on the findings of the study, it is apparent that school districts faced with declining enrolments have chosen one solution: closure of elementary schools. The closure of elementary schools is, however, an exceedingly complex issue, having extensive and pervasive ramifications in virtually all aspects of urban life. Once an elementary school is closed, the environmental forces of outmigration, population decline and neighbourhood deterioration are set in motion. It is difficult, if not impossible, to reverse these forces."

I am not going to prolong this issue. However, I want to emphasize once again what the New Democratic Party has been saying in the past about school closures. First, there should be a thorough process at the community level, with parental involvement and with the community basically involved in making that decision.

Second, once the board makes a decision to close a school for some reason or other, there has to be a mechanism by which the public has redress for that process. Up to this time, we have said the Ontario Municipal Board should be that body. I am not sure whether that is the right body, but certainly a body has to be found to which the public has redress on the question of school closure.

Can you imagine, Mr. Speaker, what it is like in some of the rural communities across Ontario, when the local school closes down and kids

have to be transported from one school to the next? In some instances they are great distances away. Do you realize that the cost of busing is more than one would save by the closure of the school?

When I present an amendment to this particular section, I hope the Liberal Party and some rural members, who really should be concerned about this issue and who really should be concerned about the power the Minister of Education wants to have in this area, will stand up and support the amendment.

As I was saying, the other section which really offends is subsection 4(4) of the bill, which I want to read and place on the record. It says:

"Notwithstanding paragraph 26 of subsection 150(1), prohibiting or regulating and controlling any program or activity of a board that is or may be in competition with any business or occupation in the private sector and providing that such regulations have general application or application to a particular board."

**5:30 p.m.**

I am sure the members realize the kind of power this places in the hands of government. Certainly in the past little while we have heard the Minister of Education and the Premier (Mr. Davis) saying, "Yes, maybe the independent and alternative school system ought to be supported publicly by public funds."

Do the members realize that once that section is in this bill that effectively has been done? Basically, the minister can then turn around and say to a school board, "You want to establish that program but you cannot do it because the private sector is already involved in that."

A couple of years ago in this Legislature we passed Bill 82. As members know, that bill dealt with establishing programs for exceptional children and mandated the public educational system to set up programs to deal with the special needs of these kids.

In the whole of the province, there are about 61 schools in the private sector that offer special educational services, that offer special educational programs. Of course, these programs are of very high cost to the people and parents of this province.

Basically, I am suggesting that if the Minister of Education gets this power, then through regulations she can say to a school board: "No, you do not have to set up that program to look after the special needs of your kids because the private school five minutes down the street offers exactly that program. Since you are in

competition with the private sector you will not be able to establish that program."

One of the cries from the school boards across this province about Bill 82 was that this would cost a tremendous amount of money, and the local board or local taxpayers would have to pick up that tab.

If the Minister of Education has the power she seeks in this legislation, this is a way of perhaps saying to the school boards: "You do not have to put out the programs, the private sector has them."

That particular section makes me very nervous. Basically, we have passed Bill 82 in this Legislature, and then in Bill 46 the minister, through regulation, bypasses Bill 82. That is completely unacceptable to me.

The members know the declining enrolments in this province are taking effect. Many schools, in both rural and urban areas, have a lot of empty space. Maybe the community decides it can use the empty space in those classrooms to set up day care facilities for our kids.

With that particular section I suggest the Minister of Education can say to those schools, "Absolutely not, because you will be in competition with the private sector that provides the day care services." Mr. Speaker, you can name any function the board may want to have, if that particular section passes this House the Minister of Education will effectively have the power to regulate and control the public education system.

The New Democratic Party is not about to give the minister that power. As a matter of fact, in view of the parts of this bill we like and those we think are going to be disastrous to public education in this province, on balance, this party has decided to oppose this bill. We have decided to vote against it on second reading, and I have three amendments that I will put forward at the right time.

Thank you, Mr. Speaker, for your kind attention.

**Mr. Sweeney:** Mr. Speaker, I will attempt not to cover the ground covered by the previous speakers. All I want to do is to point out a couple of issues from my experience in my previous incarnation and also to ask a couple of questions; therefore, I am sure the parliamentary assistant will have time to deal with them.

First, I want to compliment the ministry for including the part of section 3 that deals with the provision for the Workmen's Compensation Board. As some members are aware, I just completed a three-month tour around the province looking at youth unemployment and seek-



ing how we can create better opportunities for young people to be employed.

One practice at present being carried out by a number of our schools and school boards across the province that has proven to be most beneficial is the co-operative education and work experience for young people while they are still in secondary school. However, one of the difficulties this program has faced from time to time is the question of coverage under the Workmen's Compensation Act. It seems to me that through this section this program will be enhanced and the difficulties that some secondary schools and school boards have had will be reduced considerably. If that interpretation is correct I would appreciate it if the parliamentary assistant would verify it.

Moving on in section 3; frankly, I am a little surprised and perplexed at what I think is a contradiction in the argument just presented by the NDP critic. If I heard him correctly, he said he is objecting to the part of section 3 that gives the minister the power to set guidelines with respect to closing schools. Surely he and his colleagues are well aware that most of the problems we have across the province right now are due to the fact there are no guidelines, that school boards are closing schools down helter-skelter without any guidelines at all.

Need I draw to the member's attention the fact that his own colleague spoke so eloquently in this House about the problem in Schreiber? The local board was doing what it wanted to do, and it was only because of his application to the minister that this at least has been stalled. My colleague our education critic has spoken of a situation in Sarnia where the local board wants to close the central technical school. I could give a whole list of them.

When I was the education critic for our party I was getting calls almost every day, and I am sure the NDP critic was too, about situations in which the local board was taking it upon itself to close down schools. It would seem to me that in every one of those cases what I was being asked for, what the member for Lake Nipigon was asking for is—

5:40 p.m.

**Mr. Grande:** Mr. Speaker, on a point of order: I do not want the member for Kitchener-Wilmot to have a wrong impression. Clearly, what I am saying is the Minister of Education was able to do that without the power in the act. The member must recall most of the studies have stated that when there are 200 pupils or less the minister has said to the board, "You

should think in terms of closing down schools." That is what I am referring to.

**The Acting Speaker (Mr. Cousens):** Thank you. I think you have made that clear.

**Mr. Sweeney:** I would simply point out that every single time a committee of parents has contacted me, it has contacted me and my colleague to say: "Will the ministry or the government intervene? Will they not make some intervention to this board that is trampling on our rights?" Therefore, I think we have to be careful about not having some kind of provincial guidelines.

I would certainly agree with the NDP critic that we do not want guidelines that say, "You must close schools under certain circumstances." I would be surprised if that would come out and I think we will deal with that when and if it happens. I think it would do more harm than good to leave the situation the way it is right now. I would be prepared to take a look at some of the guidelines. I have seen the ones the ministry has sent out in the form of a memorandum. In most cases, I think the intent of the ministry was good.

I am a little curious as to the inclusion of section 39. As I read section 39, it says the school board has to do what the ministry tells it to do. If I understand correctly, section 2 of the act says clearly the ministry has that power. I am curious as to why this is needed. It seems strange indeed that we now have to add a section to the Education Act which says the school board has to do what the ministry says.

Maybe there are some particular problems that have arisen recently where school boards have defied the ministry or the minister. I am not aware of them and I would like to hear about them, but this section would seem to me to be redundant and I would like to know why it is proposed.

Under section 54, I am curious why there is the change in reference from "the third year of the intermediate division" to the reference to "grade 9." The ministry has long made it known that it sees education as being a continuous progress type of process and in recent years it has been refraining from using grade designations. I am rather curious as to the reason for that reference at this time. It does not bother me, I could not care less one way or the other, quite frankly, but I would like the parliamentary assistant to address himself to why it seems they are reverting to that kind of nomenclature. Is it some kind of signal I did not catch earlier?

Finally, I want to draw attention to section 61

in which it says a provincial supervisory officer will have power to inspect a school or to investigate the record. Once again, I have checked with a couple of school boards across the province and it is their understanding and mine that the minister already has that power.

As the parliamentary assistant would know, having been a former director of education, at no time did I ever have the impression that if a ministry supervisory officer came to one of my schools I could tell him he could not come in. The minister is responsible for education and, while the minister and the ministry delegate some of the responsibility to the local boards, to my understanding the minister had never given up authority over the schools of this province and therefore always has had, and continues to have, the power to send one of her—or his, as the case may be at some future date—provincial inspectors of schools to inspect schools.

They do that on a regular basis at the secondary school level. They do not do it, usually, as a regular practice in elementary schools, but I am not aware of any reason this cannot be done. Once again, I would ask the parliamentary assistant if he would indicate why they believe this particular section would appear to be necessary.

Finally, if I can backtrack for a minute to section 45 where it speaks of adult education relationships with the local community colleges: I am a little bit unsure as to just what the intent of that section is. I have read it over three or four times and I can impose two quite different interpretations on it. Perhaps the parliamentary assistant would clarify exactly what the government has in mind with respect to basic literacy and numeracy skills and the relationship between school boards and community colleges.

**Mr. Speaker:** The member for Beaches-Woodbine.

[Applause]

**Mr. Bradley:** Hold out, Marion, hold out.

**Mr. Sweeney:** Don't let them squeeze you out.

**Ms. Bryden:** Two ovations in one day; it is overwhelming.

Mr. Speaker, Bill 46 appears to be a housekeeping bill. It is 18 pages long and includes innumerable amendments, plus 14 pages of explanation which indicate the technical nature of a lot of the amendments. It is the kind of housekeeping bill this side of the House has been watching very carefully because this government tends to bring in so-called housekeep-

ing bills with a lot of significant changes “snuck” into the text among the amendments. Those significant changes are what we should be looking at, because I think they will change educational policy very substantially if they are adopted.

I will say that some of the amendments of significance are good, but some are not so good. Among the good ones is the change in the method of remunerating trustees. It is long overdue. This government has kept school trustees in cities and larger towns at a maximum of \$7,200 a year since 1974. This is a disgraceful way of rewarding those dedicated citizens who take on the onerous job of trustee in a large school system. For the government to have denied these dedicated citizens even normal cost-of-living increases over those years was an example of meanness and lack of recognition of what citizens contribute when they participate in public life. While it was treating trustees in this despicable manner, salary increases were going through for cabinet ministers, deputy ministers and even members of the Legislature; but for school trustees, there was nothing.

The remuneration set up in the present act has precluded any trustee from taking on the job as a full-time occupation unless he was rich or had an independent income. Yet in larger cities and towns, the job of school trustees was really full-time if they were to serve their constituents adequately. It was full-time if they were to meet with parents and to deal with problems of children who needed special education or were having difficulties in the school system. It was also full-time if the trustees were to learn about all the intricacies of the job, from letting contracts to purchasing property and developing curricula.

**5:50 p.m.**

Fortunately, Mr. Speaker, the new bill will give the boards full autonomy to set the rate of remuneration for trustees, but there is a useful check on this power. The board can only do it for the incoming board, so that the electorate has a chance to register its views on any salary increases before they become effective. One wonders whether the Legislature should adopt a similar provision, although, in my opinion, it would be better to have an independent body determine the remuneration of all elected representatives so that they do not set their own salaries.

That is one of the good sections of the bill. Another good section is retention of what might be called “the sunshine law” part of the present



act. The new clause about making all board meetings, including all committee meetings, open to the public parallels my Municipal Sunshine Act, which I introduced as a private member's bill last year and which actually passed second reading, a somewhat rare thing for a private member's bill. Unfortunately, the government did not call my bill for third reading before the House prorogued last year, so it died on the Order Paper.

While my bill applied to school boards as well as to municipal councils and all other local boards, it was not needed as badly for school boards as for municipal councils, because the existing Education Act does require all school boards and committee meetings of the boards to be open to the public. The Municipal Act, on the other hand, is silent on the subject of openness for committee meetings. However, the weakness in the present Education Act on openness of meetings is the clause giving a school board the power to close any meeting it determines should be closed. This, in effect, made a nullity of the openness requirement.

Bill 46 removes this huge loophole and firmly declares that all board meetings and all committee meetings, including meetings of the committee of the whole, shall be open. However, it does provide five specific exceptions from this rule. They are similar to the exceptions I included in my sunshine act.

Under my bill, meetings could be closed if they were dealing with three matters: (1) contract negotiations with employees; (2) purchase and sale of property; (3) litigation affecting the municipality or board. Bill 46 adds two further exceptions: (1) the security of the property of the board; and (2) discussions that would result in the disclosure of intimate personal or financial information regarding board members, board employees, prospective employees or a pupil or his parent or guardian.

I would go along with these additions to the exceptions from open meetings, although I have some fears that the phrase "the security of the property of the board" may be interpreted too broadly and may be used by some school boards to close a substantial number of meetings. We will have to monitor this closely.

Assuming this clause is interpreted reasonably, I would commend the minister for bringing in this improvement in the open meeting section of the act. The minister has shown a better appreciation of the value of open meet-

ings in the democratic process than her colleague the Minister of Municipal Affairs and Housing (Mr. Bennett). Last August, he made a speech to the municipal association in which he said, "Openness must be the rule," but when it came to the crunch of voting in favour of my sunshine act last fall, he was not there.

I have found at least two good things in the bill, but there are some other things which lead me and my colleagues to vote against it.

While we are on the subject of committees, there is a rather interesting change that I think I would put in the "good" column, and it is something that should be noted in passing. Regarding committees, under the present act a school board is authorized, "To appoint such committees as it considers expedient." There is no restriction on the makeup of any committee that the board appoints. The committee can be composed of board members or nonboard members.

Under the new bill, a distinction is made on the personnel of committees. Those dealing with education, finance, personnel and property matters must be made up of board members only. Those dealing with other matters may have nonboard members on them. On balance, this is a useful change because the major committees that are itemized make most of the crucial decisions for the operation of the school system in the area and they should be made by elected people.

**Mr. Piché:** Is that a quorum call?

**Mr. Cooke:** Not at one minute to six. You probably would not be able to get enough here to satisfy the quorum.

**Ms. Bryden:** For committees which may be considering possible curriculum changes or possible means of involving parents in school activities, it is valuable to include nonboard members, particularly parents and teachers and even students. In those areas, school boards should have the opportunity to choose whom-ever they like for committees, which would then report to the board so that the final decisions on the committee reports would be made by the elected members. This is another good part of the bill.

Mr. Speaker, it is just about six o'clock. I will go on to give my criticisms of the bill after the supper recess.

The House recessed at 6 p.m.

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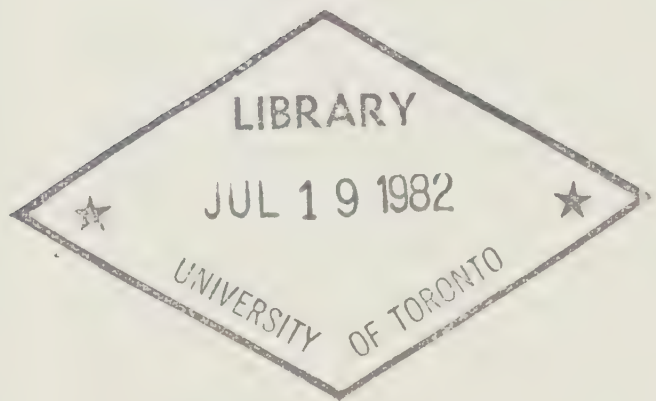


Ontario LEGISLATIVE ASSEMBLY

No. 85

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Wednesday, June 23, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

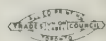
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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.





# LEGISLATURE OF ONTARIO

Wednesday, June 23, 1982

The House resumed at 8 p.m.

## EDUCATION AMENDMENT ACT (continued)

Resuming the debate on the motion for second reading of Bill 46, An Act to amend the Education Act.

**Ms. Bryden:** Mr. Speaker, before the supper recess, I was talking about the new proposal for committees, as outlined in section 40 of the bill. Committees dealing with the four subjects of education, finance, personnel and property must have nothing but elected members on them, while all other committees may include non-elected persons.

Looking at that section, I realize there is some ambiguity in it, because education presumably covers the entire ambit of what a school board is all about and what it is engaged in; therefore, it would appear that no other committees could be set up, except those in category 1, for which one must have nothing but elected members.

I would ask the minister, whenever she gets here to hear this debate, to clarify this clause and indicate what kind of committees will be permitted by the bill to have non-elected members.

With regard to this committee rule, I am divided as to whether it is a good thing or a bad thing, because it takes away what was a completely untrammelled authority for boards to appoint any kind of committee made up of any number of members from any calling or with no particular specifications as to who should be a member. In place of that wide-open authority under the powers of a board, we now have a restricted authority to appoint committees of board members only in certain areas and of mixed membership in other areas.

Basically, I approve of having mainly elected members on a committee. Certainly they should be a majority on any committee, because it does make them more accountable to the electorate; but we do need some clarification as to what kind of committees the minister has in mind for non-elected members. Perhaps we should also consider adding a clause saying the majority of members of any committee established by the board should be elected members.

As to why I am voting against the bill, I think

there are four significant changes hidden among the many housekeeping amendments of this bill which are ample reason for voting against it. The first one is a section relating to the powers of school boards, an amendment to paragraph 150(1)6 of the act. The paragraph says a board may "determine the number and kind of schools to be established and maintained, and the attendance area for each school." That is a direct quotation. Bill 46 slips in a rider to that paragraph. The rider is to the effect that the board may "close schools in accordance with policies established by the board from guidelines issued by the minister."

If there is no other reason for voting against this bill, this proposed change is sufficient. This clause is ministerial dictation in its most naked form; it is dictation in the most sensitive area of public education. The neighbourhood school has been a focal point in our communities from the days of the one-room school with six grades to the modern elementary building serving clusters of houses or whole subdivisions, and the larger but still geographically scattered secondary school serving larger neighbourhoods.

People purchase homes or rent apartments in specific areas because of the nature and closeness of the local schools. The lighted school at night becomes a hub of community activity. The teachers in the local schools are close at hand to meet parents with problems or to discuss pupil progress with parents. The school is close for community input on curriculum and staffing matters.

The decision to close down a community facility of this sort must not be removed from the parents and the community. My colleague the member for Oakwood (Mr. Grande) has eloquently spelled out the reasons.

The school is a community institution. If school population is declining, community needs may be rising. The kind of community needs I am thinking of are adult education, senior citizens' day programs, special education for the handicapped or for those with special problems, recreation for the whole family and day care for both preschoolers and lunch and after-four programs.

The choice of the kind of community programs

that should be available in each school must be made by the community—the parents, the teachers, the students and all the residents of that community. The choice must be a democratic one. We cannot leave it to the minister to decide what is best for that community.

All the alternative uses for the school plant must be considered, not just existing ones. Declining enrolment can be a great opportunity for a community to develop new programs and new responses to the problems of youth, for example. Young people with too little to do sometimes get involved in vandalism and crime. Declining enrolment also can be an opportunity to involve all age groups in community activities and in the sharing of experiences.

I am gravely disturbed that the minister's guidelines for school closings provided for in this amendment will be based on a bottom-line approach, namely, "Will we save money by closing smaller schools?" I am afraid the guidelines will not take into account the potential uses for the schools and the opportunities for new uses, new community programs and meeting unmet needs in our society.

Perhaps the alarming increase in teenage suicides could be stemmed by making our schools more of a community focal point, with the whole community involved in the development of that program.

This does not mean I am opposed to any school closings. If the community does not respond to the challenge to develop alternative uses, then we may have to look at other uses for the building. But I am definitely opposed to the kind of naked centralization of authority that is in the amended paragraph 150(1)6.

**8:10 p.m.**

Before any school is considered for closing, the alternative opportunities must be explored. Ministry staff must assist community councils in the exploration process, and only after the possibilities have been examined and found unsatisfactory should closing even be considered.

A second section of this bill which is another strong reason for voting against it is a sneaky little section on page 3. This section also deals with the powers of school boards. Incidentally, there are 32 powers listed in the Education Act for school boards, and this section adds a 33rd.

This 33rd power says, "Notwithstanding paragraph 26 of subsection 150(1), prohibiting or regulating and controlling any program or activity of a board that is or may be in competition with any business or occupation in the private

sector." This is actually an amendment to section 10 rather than section 150, but the point is that the ministry may prohibit an activity of any board that may be in competition with any business or occupation in the private sector, and the power of the ministry in this section may "have general application or application to a particular board."

This is a very ambiguous clause. So that the minister can explain it to us and be sure which clause I am referring to, it is section 4(4) of the bill. This clause appears to reflect the government's slavish adherence to the theory that a public body must never compete with private enterprise even if it is clearly apparent that public delivery of a service may be more efficient, even if it may be cheaper and even if it may be a better delivery system than is available in the private sector.

This clause is so ambiguous that one cannot really tell whether it would rule out a school board offering special education because there could be a private school in the area that also offers special education. This clause might rule out all day care activities in an area where there were private day care activities. It might even rule out all academic programs if there were private schools in the area, because it would be competing with a private operation.

It seems to me this added clause puts forth an ideology that is too often adopted in a paranoid sort of way by the members opposite; but is completely impractical and really renders the bill a laughing-stock. Therefore, this is a clause that particularly should be struck out. In fact, I wonder what its genesis is and what the minister really had in mind. I am sure the minister did not contemplate closing down every school where there was a private school operating or prohibiting the activity of that school.

It is the sort of clause that we find this government slipping into housekeeping bills. I think the only way to deal with them is to delete them. We intend to move deletion when we get into the committee stage.

A third section in this bill which disturbs me is the one saying that when a municipality is granting a tax exemption to any group or body it wishes to assist by means of a tax exemption, it may not make that tax exemption apply to school taxes. School boards may think this is preventing municipalities from eroding their tax base, but in the last analysis the municipality is eroding its own tax base by making such concessions. It may have decided that it is better to erode its tax base than to subject the group



receiving tax exemptions to coming cap in hand for a grant every year.

In the long run, it is the municipal council that has to collect the taxes. One might suggest that a way of meeting this problem, and of the school board not having its tax base eroded without its consent, would be for any group requesting a tax exemption to have to get approval from both the municipal council and the school board before the tax exemption could go through. I certainly think that would be something that might be considered.

The disadvantage is that an organization such as the Young Men's Christian Association, which one of the members of the Liberal Party mentioned, would then have to make two applications for a tax exemption, one to the municipal council and one to the school board. This would be very time-consuming and it would put forth the same arguments. If it were a worthwhile community organization, I am sure that both the municipal council and school board would agree in most cases that they should have the tax exemption.

I think this is an undesirable clause, to have separate treatment when a tax exemption is given between the two different kinds of property tax levied.

One other section in the new bill concerns me particularly. It is the one regarding the fees which a school board may charge foreign students. In effect, the new bill says visa students, as they are called—people who come in as a visitor or student under the Immigration Act—must be charged the maximum fee calculated in accordance with the regulations. That means the ministry has the power to set how the fee for a non-resident student shall be calculated. School boards may not charge less than the maximum fee according to the calculations.

**8:20 p.m.**

In the past, school boards had the opportunity to charge nothing if they wished, or to charge any level up to the maximum provided in the regulation. I think this is another example of the minister acting as Big Brother and taking away local autonomy. There may be all sorts of reasons that a particular visa or visitor student should receive special consideration from the school board, which knows the circumstances better than the minister does; there are cases where a school board may wish to encourage people from particular Third World countries or people of certain income levels. The board should be allowed to encourage those particular people to share in our educational system if it

feels it is beneficial to both Canada and the visitor or foreign student.

It is true that the amendment exempts participants in educational exchange programs from such a requirement regarding fees; but, of course, we are sending one of our students to the country that is sending one of its students to us under an exchange program. Naturally we would not charge fees in such a case. I think the withdrawal of local autonomy in this particular field is another thing that should not be tolerated.

The minister should consider chopping this omnibus bill up into several parts so that we could vote separately on some of these major changes in policy and, in addition, vote on the many housekeeping amendments, some of which are quite useful, by separate votes. The minister has not done that yet, although she may do it in committee; or perhaps the government will withdraw the bill and bring in two or three separate bills.

Until that happens, I can see no alternative but to vote against the bill and to hope that the clauses I find extremely objectionable perhaps will be removed. I then might be able to consider voting for the bill on third reading.

**Mr. Nixon:** Mr. Speaker, I want to speak briefly because there are two or three matters in the bill that are of some concern to me.

I suppose it does not really matter how we vote on second reading, because it is a grab-bag of many amendments. Normally these come forward in this form, although I do not recall one with quite this many sections, and we give approval in principle on the basis that the ministry is coming to grips with problems as they arise and that it is our responsibility to assist in ironing out the problems that have occurred during the previous year.

I believe that in committee of the whole House we have an opportunity to do what the member for Beaches-Woodbine (Ms. Bryden) has said she would like to do, to talk about the various sections in detail and to vote against them if she chooses. Actually to take the time of the House for a formal division against the bill does not make much sense to me, but then I never really did understand democratic socialism in its entirety.

I want to mention the reference to Indian bands and Indian residents. I was interested to see that one section allows the ministry to enter into agreements with Indian bands for the education of non-Indians in Indian schools.

I could spend a good deal of time, and I would like to some time, to describe the sort of

excellence of education at the Six Nations reserve, which, as I have told the members many times, is the most populous in Canada and the one I have the honour to represent. In my previous occupation as a teacher, many of the students from the Indian reserve came into the secondary school where I was a science teacher; so I had a chance to meet them and to realize that their grounding in the basics in education was as good or better than that of the students who came from the schools in the non-Indian community, which also channelled into the secondary school where I taught.

I want to point out that far from having no influence or part to play in the life of the Indian community, this is a further example of how this Legislature and the facilities of Ontario are to be used almost on a reciprocal basis, since by agreement we can now send non-Indian children to Indian schools where we have this exchange of responsibility of which we must be aware.

I also wish to speak briefly on the powers granted under this bill to establish and control the awards of bursaries, scholarships and other prizes.

It has come to my attention, particularly since Bill 82 was passed in the Legislature, that the school boards now have full responsibility to educate all the people in the community, whatever their abilities or handicaps. It is up to us to see that recognition of accomplishment is extended to include those young people in our school system, particularly under Bill 82, who can be designated as special students, those with learning disabilities, some retarded to a greater or lesser degree or with other types of disabilities.

At the top of our secondary system we have the Ontario scholarship, the significance of which has been somewhat diluted in recent years, both in its monetary value and in its overall significance, when we see the numbers awarded compared with the total number of graduates involved.

I say to the parliamentary assistant, who as usual is paying careful attention in the House, we ought to be making plans to see that all the students in our system are recognized for their achievements. Although their achievements do not lead them through grade 13, or even to the non-academic side, we should be sure those students who have special handicaps, and who are doing their best to overcome them in our system, are recognized.

I know it is important, not only for the young

people themselves but also for their parents. If we think about it, I am sure we would all agree that is so. We think of our many friends, some them members of this House, who have with great enthusiasm given up a good deal of their personal freedom to assist in the education and in the lives of their children and those close to them who are handicapped. The recognition of their achievement is something we must not overlook.

I support the guidelines for school closings. I am glad to have a chance in this House to influence the establishment of guidelines, even though it seems to me the great glut of school closings may have passed us by. In my own community there have been a good many acrimonious arguments about school closings. Members of school boards have suffered greatly in their popularity in certain areas of the community when they decided to close certain schools.

It always offended me that in our large county school jurisdictions, when it was decided a certain school in some rural area in a corner of the county was redundant, one local representative would speak and vote against it, while all his or her colleagues would take the high, broad view and vote for the closing. One would find that pattern repeated when another school was closed in another corner.

I thought it was slightly weaselly. That is not to say that I blame the individuals who voted against the closing of the schools in their own communities, that it is understandable; we are not all as strong as various representatives of the Liberal Party who only recognize and support truth and justice.

**Mr. Wildman:** MacEachen is certainly strong in changing his position.

**Mr. Nixon:** It takes a strong man to recognize a certain degree of room for improvement, let us put it that way.

The parliamentary assistant might be more sympathetic to this view than his minister. I can never understand, particularly in rural areas where there is a relatively new rural school with four or five rooms built in a good location with a playground and everything modern, the decision that is made by the school board to close that school and bus the kids into a nearby town where there is room in an urban school.

Why not bus the urban kids to the redundant facilities in the rural area? It would be cheaper, because the school bus could pick up the kids in one central place and take them to another central place. There seems to be some idea in the minds of urban dwellers that their kids have



the right to go to the school down the street, whereas the kids who live in the farm community have to face the trauma—and I believe that is the right word—of sometimes hours on a school bus joggling around with all the stuff that goes on in the buses and with all the tiresome aspects of it.

I ask the parliamentary assistant, when he is involved in some of the arguments in the interministerial business of establishing these guidelines, not to assume that it is always the rural school that should be closed. Quite often the facilities are finer than the facilities in town.

**8:30 p.m.**

I also believe the decision taken over the years to close the schools so that rural kids can go to an urban school with all the supposedly essential facilities like a resource centre and a playground is baloney. That is the word that leaps to my mind.

This is probably a rather conservative view of sociological pressures, but they learn all sorts of things there. We see them leaning against the fence in front of the school pulling away on some kind of a weed or other at the age of 11, 12 or 13. While this may happen behind the fence in a rural school, it is not the sort of thing that happens openly and is tolerated there.

When we pull the rural people out of the smaller school communities, one of the things I regret is they lose their community roots and their ability to communicate in a special way that people in rural areas have always considered gives them special sensitivity. I am sure you have noticed that in this very chamber, Mr. Speaker, when you look at the antecedents of the members. I say that somewhat tongue in cheek, but I do feel strongly that to uproot kids from a rural community and dump them into an urban community is definitely not the best thing in the world to do.

I also feel we have gone too far in the provision of school bus transportation. When I come out of my lane in the morning to drive to Queen's Park, I can sometimes see four or five yellow buses going past the farm up the side road. I believe the commitment of capital dollars and the regular maintenance and expense of running these buses would balance a decision that might have been taken previously to keep some rural schools in operation, rather than closing them all up and shipping these kids to towns that cannot always be described by the adjective "nearby."

The last point I want to mention has to do with the annual report of the chief executive

officer of the school board. I found that section quite interesting. As in most instances, the director of education is expected to make a written report to his own school board. Now the bill requires the report be made to the minister as well.

I would say to the parliamentary assistant, and this might appeal to his orderly mind, that some rather simple statistics ought to be established and published in each community that would give the overall cost per pupil for various services, not the least of which would be the cost of transportation per pupil in rural areas.

It may be done by law, I am not sure, but many school boards will buy a full-page ad in the Woodstock-Ingersoll Sentinel Review, the Brantford Expositor, the Paris Star or the Ayr News and give all these numbers about the cost of education. None of them are interesting because we really do not know what the teachers are getting, we do not know what the average salary is and we cannot find out what they are paying the principals or the director of education. None of the really interesting information is there.

One looks at the bottom line and says, "My God, look at the millions of dollars being spent to educate the kids." Even if they gave the total number of students so one could see the cost per student in the community, it would be worthwhile. More than that, it would be worthwhile for the people in Brant county to see the cost per student for various services, plus the all-in cost, and compare it with Wentworth, Norfolk, Waterloo and Oxford. It would have a good effect, not only on the school boards but on the teaching staff and others. There is nothing like the light of day to put a little controlled pressure on the people who have the pleasant job of spending other people's money.

I feel these are some areas where we might apply some of the powers given in this act in a way that would appeal to me. Certainly, we do not hesitate to support this bill. I know when it goes to committee of the whole House there will be areas where we will not be quite so supportive, but under our system that is where we can indicate by our vote our lack of pleasure with certain initiatives the government has taken.

**Mr. Dean:** Mr. Speaker, I am very pleased to see the large measure of support from all sides of the House for the principal features of the bill—

**Mr. Wildman:** I beg your pardon? What did you say?

**Mr. Nixon:** You are not a side, you are a corner.

**Mr. McClellan:** On a point of order, Mr. Speaker: Do we have to have the debate over again? Has the parliamentary assistant not understood that we are voting against the bill?

**Mr. Speaker:** There is nothing out of order.

**Mr. Dean:** I am also pleased to note that, as should be the case in any healthy democracy, there are some minor points of divergence on detail.

I would like to make a few general responses to the general comments made by several of the members before going specifically to each person in particular detail.

The bill is mainly a housekeeping bill, as is said in the compendium, but there was never any statement made or intention to let anybody understand that it was entirely housekeeping. I take a little bit of umbrage at the comments of the member for Beaches-Woodbine that there were some sneaky sections put in here and there. There is nothing sneaky. They are all in the same language and can be read equally well by anybody who understands the language.

The comment by the member for Brant-Oxford-Norfolk (Mr. Nixon) that it seemed to be a little longer than some similar bills is well taken. That is due to the fact that it has been eight years since there was any comprehensive update of the Education Act, which was last done in 1974.

**Mr. Nixon:** It just seems like last year.

**Mr. Dean:** Time does go quickly when you are having fun.

**Mr. Sweeney:** Fun?

**Mr. Dean:** That is the most that we have here.

Naturally, there were reasons why it was not brought forth sooner, but since it was before my time here I am not able to comment on those.

I would like to respond specifically to the comments made by the different speakers. The first item the member for St. Catharines (Mr. Bradley) mentioned was section 57. As he indicated, the government has reflected on this provision and we have prepared an amendment which will delete that provision when we come to committee. That should also respond to the concerns of the member for Beaches-Woodbine on the same topic.

The reason for the amendment is not that the principle of the section was wrong, because as a former municipal person I believe the principle of the section which would have restored full power to the local council to decide when or if

and on what terms such exemptions would be given, is proper. I believe it is proper that it be vested in the local council.

There was concern expressed, however by many members from our side of the House as well as otherwise. I might say it was the very strong submissions of the members from this side that persuaded the minister it should be looked at. There was concern that this would work some hardship on some very worthwhile organizations from the standpoint of the ability of those worthwhile organizations to plan their fiscal future without knowing for certain whether they were going to get that sort of consideration from the municipality in succeeding years.

I still believe there is nothing like fiscal accountability to the local council whereby the exemption, or whatever other form it might take, would have to be considered by the council each year or each term so one could see the conditions were still the same. However, the fact that the minister has determined this will be deleted means that the situation will continue to be the same as it is now where such bylaws may be passed upon receiving permission by legislation.

There was another general concern several people expressed that this bill represents a trend towards centralization. I want to say categorically that is not the trend in the bill. There is no tendency towards centralization. If anything, there is more opportunity for autonomy, for the boards to operate on their own. An example which has been supported by everyone who spoke is the authority of the trustees to determine their own remuneration, which is certainly anything but centralization; it is decentralization, it is putting the responsibility at the local level where it should be.

**8:40 p.m.**

The mild concern that the member for St. Catharines expressed, or perhaps quoted from the submission of the Association of Large School Boards in Ontario, was that there could be a kind of free ride or getting away with too much of a salary increase on the part of some trustees. That concern is there, of course, wherever one is able to make the decision about one's own salary. It applies to this House, it applies to municipal councils, it applies to the federal government. The only control one has there is that this is still a democratic country, so there is still an opportunity for the voters to turf out those whom they see as having feathered their own nest too freely.



**Mr. Riddell:** Which is soon to happen to that side over there.

**Mr. Dean:** Fortunately, in this setup, if one nest is feathered, they are all feathered the same. In short, the electorate should be the judge of that.

Although he was basically in support of the provision, concern was also expressed by the member for St. Catharines, as well as by some of the other speakers, about subsection 3(5), the guidelines respecting the closing of schools. There has also been some concern expressed by members of separate school boards, who felt that the wording in the bill gives the impression that the minister might take it upon himself or herself to exercise the right to close schools.

I want to make it very clear that if one reads the section the way it is written, one sees that is not what it says. It says that the minister will have the power to issue guidelines respecting the closing of schools. Because of the concerns that I mentioned which were referred to us by some members of the separate school board, I am proposing to put forth an amendment in committee which would clarify the meaning of this. I can say it better by reading what the amendment will likely contain.

My amendment is that clause 8(1)(z), referred to in subsection 3(5), would read, "(z) in respect of schools under the jurisdiction of a board, issue guidelines respecting the closing of schools, and require that boards develop policies therefrom with respect to procedures to be followed prior to the closing of a school by decision of the board."

That makes it unequivocally clear that the closing of the school is an act of the board. The minister will issue guidelines which will assist schools in setting out, where all can see, the policies which a board expects to be followed and the policy it will follow before schools are closed.

Some of the honourable members may have gone through the experience, as I have done, of schools in their areas having to be closed. With respect to my own board, it had developed procedures in connection with the guidelines in the memorandum which the minister issued. There were three schools involved, and I would like to illustrate, briefly, how it worked in each case.

In one case no one objected. The guidelines were there but everyone in the community agreed that was the logical school to be closed in view of declining enrolment.

**Mr. Haggerty:** It would be nice if they sent out notices to the ratepayers.

**Mr. Dean:** The member for Erie made a good comment and that is exactly what the board in my jurisdiction did. It was amply advertised. Everyone concerned had an opportunity to know that this proposal was going on and there was ample opportunity for people to express their concern.

The second case was in an area where there was an older school in the middle of a settled part and a newer school which was not really in a defined settlement area. The proposal of the board was that one of those schools should be considered for closing. The committees were set up. The local input was obtained and ample opportunity was given. Believe it or not—

**Mr. Haggerty:** You went out and hired more buses.

**Mr. Dean:** No, as a matter of fact, there would be fewer buses used.

**Mr. Haggerty:** That has been the trend: more buses and fewer schools.

**Mr. Dean:** What happened was the school that the board's administration had suggested was suitable for closing was not the one the community committee determined should be closed. The board accepted the recommendation of the community committee. The school which is in the older established area, rather than the one in the newer but more formless area, is the one that is going to stay open. It worked well. There was no backbiting or anything else, because the people had the opportunity to express their concerns. It is an example of that working well.

The third example within the board I am familiar with involved a secondary school. There the fur flew a little farther, because the question of which of the two schools would be the most suitable one was not quite so clear cut. However, the process was still followed. There was still advance notice, a committee established and lots of opportunity for input. Believe me, some briefs I received copies of were 100 pages long and well put together. The board made a decision that did not satisfy everyone, but still it was done by the board. This is the fact I want to especially emphasize to—

**Mr. Haggerty:** Perhaps all schools boards do not operate like you want—

**Mr. Dean:** I am not quite as familiar with that.

**Mr. Speaker:** Order.

**Mr. Dean:** The solution to a school board that is not operating the way someone wants it to is to get somebody to run for the school board who will do it the way it should be done. There is still a democratic system working in this country.

There was another question from the member for St. Catharines. This is one of the concerns he relayed from the Association of Large School Boards in Ontario regarding the acquisition of a natural science centre and the question of why there should be any difference between the way a separate school board and a public school board was treated. The separate school boards, as I am sure the member realizes, have certain constitutional rights under the British North America Acts that are continued in the new constitution; therefore, they do have the right to some property holdings, which right is not necessarily always granted to the other boards.

A further question several members raised was the matter of fees for visa students. As far as the application of section 2 is concerned, the wording is fairly clear as to who are exempted. The students who are covered by this are: first, those here on visas on their own because they feel this is a better way to secure admission to a post-secondary institution, that is, to receive in Ontario a grade 12 or 13 education. Second, there are a small number here on visitors' visas. I understand they would usually be seasonal visitors, normally from adjoining American states, where the student's parents might happen to have a cottage or other recreational home in Ontario. Third, some are children of working parents who, because of immigration regulations, were not admitted on the working parent's work visa.

I get the impression from the member for Oakwood (Mr. Grande) and the member for Beaches-Woodbine that they think there should not be a fee charged to any of these students. Maybe I am oversimplifying it, but that is the way it seemed to come to me.

**Ms. Bryden:** I didn't say that.

**Mr. Dean:** All right, I am oversimplifying it, but it was something of that nature, that some of these students should not be charged. There are some exemptions given, as I just mentioned. The principle behind this section is that the taxpayers of Ontario should not be subsidizing to a tremendous extent, as they have been in some cases in the past, the education of students from other countries.

**Ms. Bryden:** On a point of privilege, Mr.

Speaker: I would like to correct the record. The parliamentary assistant said it sounds as though I am in favour of visa students not paying any fees. I did not say that. I said the decision should be left to the local school boards to decide what fee, if any, they should pay.

**8:50 p.m.**

**Mr. Dean:** Mr. Speaker, several speakers mentioned the clause regarding competition with the private sector. I want to assure all members that this certainly does not apply to the circumstances that were mentioned by the member for Oakwood and the member for Beaches-Woodbine: namely, that it could possibly eliminate a board's ability to provide special education and all those other things. For one thing, that would directly contradict another section in the act requiring that boards do provide special education, that is subsection 149(7); so there is no concern about that.

The reason subsection 4(4) is being added in the first place is that there have been some examples where boards got a little overzealous in the kind of work experience they were giving. They actually did set up what were basically good programs, but they tended to get a little too commercial and did compete with existing businesses in the community.

For example, in one case a market garden setup was competing with local produce growers because they were offering goods for sale at a lower price. I am sure we would all agree this should not happen, because we are sort of biting the hand that feeds the system.

In another instance, ceramics classes, no doubt set up with goodwill, were offering a program that undercut a private enterprise that was offering the same sort of thing but could not offer it at the reduced fee the board was offering.

In another instance a board proposed to refurbish and rent out a portion of a school as commercial office space, and we really do not think the education system should be in direct competition with private enterprise in that way. It does not restrict the freedom of boards to start up their other education programs, as was suggested might be a concern by some members.

Another item that the member for St. Catharines raised was the mandated filing of a copy of the director's report at the end of the year. The suggestion made by the member for Brant-Oxford-Norfolk, which paralleled this, was a good one, and I think it should be pursued further. That is, not only should a complete statistical



report be available but there should also be an executive summary kind of report that would contain some useful but not too complicated statistics so that the average citizen reading it would know something about the annual operation of the system. Certainly I support this very strongly, and I think it is something that should be considered by the ministry in determining what might be in such a report.

Of course, there is a difference between the annual report of the board, which I think is really what the member for Brant-Oxford-Norfolk was talking about, and the report by the director of the board, which is really a report on the educational activities and other things the director was charged with doing during the preceding year. This is something that needs to be available to ministry officials, and you would think it might be very simple for that to happen; but there have been times when it has been difficult. This is just to make sure those officials of the ministry who are out in the field do not have to rely just on their ingenuity and persuasiveness to get the report, which they need. You might say it is a sort of sunshine provision, because I think everyone believes that public business should be out in the sunshine, which the government is moving to do in many areas.

**Mr. Breaugh:** After 40 years.

**Mr. Dean:** A similar aspect to that is the access to the board's records. There again it is not that most boards have given any problems, but there are some that have been a little bit sticky about it. I reject the suggestion which someone made that this is a creeping intrusion into the board's affairs. It is simply a requirement that these reports be readily available to the education officers when so much provincial money goes into the system.

To respond to other concerns that were mentioned by the member for Oakwood, the minister, contrary to what he alleged, did not make any commitment at any time to bring in a new Education Act. He went on from there to say, "It is typical of this government to bring in reform a bit at a time." I take that to be a compliment because I think that is the way reform should go.

Cataclysmic change usually produces a cataclysmic disaster. Everyone who really believes in the British tradition of parliamentary government knows that, in the words of the poem, "Freedom slowly broadens down from precedent to precedent." I take it, although I do not think it was intended this way, as a compliment that this government believes in the orderly

improvement of the surroundings and of the legislation.

**Mr. Wildman:** It is an interesting theory.

**Mr. Dean:** Yes. As far as some members are concerned, I guess that is the way it always stays; on this side of the House we practise it.

An expression was used that there is a disguise in this bill of the menacing powers of the minister. I think I have dealt with this before as it refers to the closure of schools. There certainly has been no such provision enacted and no such intention; simply the provision of some kinds of guidelines that will assist.

It is interesting to note in that connection that in the debates of the Legislature on December 13, 1979, someone who is more familiar to some of the members of the House than he is to me, a Mr. Bounsall, actually proposed guidelines very similar to those being proposed now. I would recommend, especially to the member for Oakwood—

**Mr. Nixon:** You mean the NDP have changed their policy again.

**Mr. Dean:** I would think so.

I would recommend to the member for Oakwood that he not be too shrill in saying that the minister is taking too many powers, because very similar ones were recommended by one of his predecessors as critic for this ministry.

**The Deputy Speaker:** Order. Speak to the principle of the bill, please.

**Mr. Dean:** Yes, definitely. Always a matter of principle, Mr. Speaker.

**Mr. Grande:** As usual, you missed the point.

**Mr. Dean:** I guess that is the kind of flexibility they think means broadmindedness, whereas some of us might think it means something else.

I think I have covered most of the things that were raised by the member for Oakwood.

The member for Kitchener-Wilmot had a couple of other things to say that I should mention. One was with regard to section 45 and the clarification of the meaning of "adult basic education." We think the definition is quite clear, and it really means a comprehensive, noncontradictory, nonoverlapping program that we have instituted in the government for the provision of the basic literacy and numeracy that adults require.

There was a further question about why there is a proposal to change the phrase "the third year of the intermediate division" to "grade 9." It is for the simple reason that everybody calls it

grade 9 except, perhaps, a few academic theorists.

The member for Beaches-Woodbine made a couple of points I have not covered so far. One was on the provision in section 40 for the establishment of certain committees. The ones that are set forth as committees that should have only trustees on them—personnel, finance, education and property—are the main committees of the board that have to do with the carrying out of the principal responsibilities under the act. In this case, “education” refers to the programs that refer to education. I recognize, as the member said, that one could say everything the board does has to do with education, but that is not the intention of the sort of education we are talking about here.

9 p.m.

The other committees which many boards have would be for things like children’s services, transportation and curriculum where it is more fitting, since they are more in the nature of subcommittees reporting back to committees or the board, that they are the ones that should have nontrustees to get the local input. It is more rational to have the nonelected persons there.

I think I have covered the other matters the member for Beaches-Woodbine expressed concern about.

I am pleased to note that the member for Brant-Oxford-Norfolk put in a good word for the treatment of native people in this bill. We think it is very desirable, and I am sure that out of his experience he knows there can be just as high an excellence of education in boards that are on Indian reservations as there can be any place else. This certainly permits the ministry to have an agreement for non-Indian people to attend in places where the school operated by the Indian band is the only one or the best one in the area.

I think that covers the answers.

**The Deputy Speaker:** Mr. Dean, on behalf of Miss Stephenson, has moved second reading of Bill 46.

All those in favour will please say “aye.”

All those opposed will please say “nay.”

In my opinion the ayes have it.

Vote stacked.

#### MUNICIPALITY OF METROPOLITAN TORONTO AMENDMENT ACT

Hon. Miss Stephenson moved second reading

of Bill 127, An Act to amend the Municipality of Metropolitan Toronto Act.

**Hon. Miss Stephenson:** Mr. Speaker, in introducing this bill for second reading, I think it is important that we recall the structure, function and purpose of the Metropolitan Toronto School Board.

Approximately 25 years ago, when the Metropolitan Toronto form of government was established in the two-tiered mechanism, it was decided that it would be appropriate to ensure equal access to equal opportunity for education for all the children in Metropolitan Toronto. As a result, the two-tiered system was introduced for governance of schools in Metropolitan Toronto.

For many years, that system of governance functioned effectively and it has been of great benefit to children in a number of the areas that make up Metropolitan Toronto. There is no doubt in my mind that small municipalities such as York and East York could not have achieved the quality of educational program that has been reached in their areas without the support of this kind of governance.

For many years as well, there was voluntary co-operation on the part of all the boards functioning within Metropolitan Toronto in the establishment of the various criteria which were important in the delivery of educational program. Indeed, there had been joint bargaining by the boards with the teachers on all matters related to the negotiations and contracts for teachers functioning within Metropolitan Toronto.

Unfortunately, within the past several years, that voluntary co-operation has dissipated considerably. As a result, over the past four years there have been repeated requests from the Metropolitan Toronto School Board, and from five of the six area boards, for some modification of the structure. At times, there were calls by individual boards for the dissolution of the Metropolitan Toronto School Board because they believed that at that point it would be more appropriate if they were to take matters totally within their own hands.

Approximately 18 months ago I received a resolution from the Metropolitan Toronto School Board, which was carried by a majority of the members of that board, asking that we modify the Municipality of Metropolitan Toronto Act to provide for some mechanism that would encourage prudent educational spending within those boards and ensure that there was a measure of joint bargaining carried on with the



teachers at both the elementary and secondary school levels. In addition, the Metropolitan Toronto board asked for amendments to the size of the board as a result of the changes in registration within the various boards in Metropolitan Toronto.

Over the past year and a half we have had discussions with the component boards of Metropolitan Toronto, and in the past several months we have had strong support from five of the six area boards for the amendments to the Municipality of Metropolitan Toronto Act which have been introduced as Bill 127.

The significant components of that act are these:

The first, and probably the most important in the view of the Metropolitan Toronto School Board and five of the six area boards, is the mechanism that ensures there will be joint bargaining with elementary and secondary teachers by representatives of all the component boards, with one representative from the Metro school board on two items. The items are salaries and financial benefits, and the formula developed for staff allocation.

The act also ensures there will be local bargaining by local boards using whatever mechanism they choose for all other matters which make up the bulk of the teachers' contracts related to teacher-board negotiations.

We were convinced that there was a need for flexibility beyond that which could be established as a result of that local bargaining mechanism, which I think is clearly permitted in the act—although there are some members opposite who seem not to be able to read accurately and to determine that is so.

Therefore, we also determined that the discretionary levy which the Metropolitan Toronto boards are permitted to assess their taxpayers should or could be used for the purposes of hiring additional teachers over and above those provided by the staff allocation formula negotiated by the teachers and the boards at the Metro level.

In addition, that formula can provide for additional function, or structure or organizational pattern within the area of responsibility of an individual area board.

It was felt very strongly, even by several members of the Toronto Board of Education, that there really did need to be a provision in the act to encourage some care in terms of spending related to education. It has been suggested by at least two of the trustees of the Toronto board that the original Metropolitan Toronto act, as I

suggested to the members earlier, encouraged boards to spend to the limit rather than to be careful about the way in which they used taxpayers' money.

The provisions within the act ensure that a surplus realized by a board in its management of its area of responsibility is to be returned to that board for the purpose of permitting the taxpayers in that area to realize the benefits in the next taxation year. Provision is also made for a deficit which a board accrues, and which could have been reasonably foreseen, to be charged to the board that incurred the deficit.

**9:10 p.m.**

The basis of apportionment of the industrial-commercial portion of taxes as opposed to the residential taxes is modified in this act to bring it into line with the apportionment which applies throughout all the rest of Ontario and has for some time. This amendment should have been introduced some time ago, because there has been some disparity within the region of Metropolitan Toronto as a result of the fact that it was not complying with the same kinds of rules that apply to all the rest of Ontario; that is, the commercial-industrial assessment is weighted by dividing by a factor of 0.85.

The discretionary levy in the Metropolitan Toronto area traditionally has been 1.5 mills elementary and one mill secondary. We have discussed, rather broadly, the application of that discretionary levy and the permission to utilize the discretionary levy. There has been a strong position made by the Metro board, and supported by five of the six area boards, that the discretionary levy should be eliminated completely within Metropolitan Toronto since the boards within Metropolitan Toronto now enjoy a level of support from assessment which is almost unequalled throughout the rest of the province.

To allow for local accountability, local accessibility and the kind of flexibility that would ensure the board was responsive to the local needs as established in that board's jurisdiction, we felt strongly that the discretionary levy should be left in place and that there should be direction about the way in which it could be used, such as specifically towards the use for additional teachers.

The term of office of trustees on the Metro board in this act is amended to bring it into line with the amendments to the Municipal Act and the amendments which permit local trustees to serve for three years rather than two. This

allows the appointment to be parallel to the provisions of Bill 146.

The bill also allows for alternate members, who are not elected to the board but are elected as alternates, to participate in board meetings, something they have not been able to do until now. They are not permitted to vote through the amendment, but I think the board will benefit from the participation in debate of those alternates who do attend.

The size of the quorum for the Metropolitan Toronto board is updated, and the method of determining trustee remuneration is to be changed as it is in Bill 46; that is, the trustees are to set salaries for the succeeding board.

Concern has been expressed by some of the trustees and by some of those with specific responsibilities in this area about some of the provisions within the act which would require an individual elected to the Metro board, who for whatever reason must resign or leave the Metro board, automatically to leave his or her role as a trustee in an area board.

With some amendments which I shall introduce, we are attempting to ensure that an individual who feels, for one reason or another, that he or she cannot carry out his service at Metro board will not be required to resign from the area board if that is not necessary for reasons of health. We believe that an individual may find it is reasonable to serve on the Metro board for a period of one or two years, but three years may be overwhelming or somewhat oppressive for some of those who are elected to that level.

We also will be clarifying one or two sections that seem to have produced confusion in the minds of some. We shall be including in the act the provision of the discretionary levy of 1.5 mills at the elementary level and one mill at the secondary level.

There has been a great deal of misinformation publicized and distributed about this bill. It has been suggested by some that local accountability has been eliminated completely, that parents would not be able to deal directly with the trustee whom they elected so as to have their concerns about their local school dealt with, and that the local trustees would have no responsibility for any area of activity related to the function of the schools within the jurisdiction in which they are elected.

That is quite untrue. The local trustees will have all the responsibilities they have had traditionally. It seems to me they will have additional responsibilities to ensure that their

accountability is even more exquisite than it has been in the past in that they will have to account for whatever has occurred in either the achieving of a surplus or the accruing of a deficit.

The thought and concern expressed by five sixths of the members of the Metropolitan Toronto board, by the Metro board itself, and by a very large number of people who have communicated with us in support of Bill 127 and who believe firmly that there is a strong rationale for moving in the direction of attempting to provide, even more clearly, equal educational opportunity for all the children in Metropolitan Toronto, gives me a strong belief that the members of this House will see the wisdom of supporting this bill. It is indeed for the benefit of all the children in Metropolitan Toronto.

**Mr. Bradley:** Mr. Speaker, I welcome the opportunity to participate in the debate on Bill 127, which certainly is one of the most controversial bills to face the Ontario Legislature in this session and which has great ramifications in the field of education, according to those who will be most directly affected.

The history of this bill dates back some time, I guess, but the rumours have been flying, as they do in the education community from time to time. As the minister indicated in her remarks during estimates, rumours in education often begin to circulate in Metropolitan Toronto and move out to the hinterlands. The rumours have been rampant for some time that this legislation was going to be introduced. Indeed, I think it was well known, and the knowledge was not discouraged by the Ministry of Education, that a bill would be forthcoming some time in this session to deal with this matter.

There were some, and among those were members of the teachers' federations, who felt that any changes of this kind, particularly in the negotiation process, would take place through Bill 100, the School Boards and Teachers Collective Negotiations Act. At least some were surprised when ultimately it emerged as part of a bill to amend the Municipality of Metropolitan Toronto Act.

On Friday, May 28, near the end of the question period, I asked the Minister of Education a question—coincidentally, I had no idea she was going to introduce the bill on that particular day—in which in effect I urged her not to introduce legislation that would require compulsory regional bargaining and compulsory joint panel bargaining in Metropolitan Toronto. In her answer the minister indicated she was not prepared to give that assurance, and



a short time later on that same day, May 28, she introduced the bill.

**9:20 p.m.**

In our view, many of the amendments to the Municipality of Metropolitan Toronto Act probably would have been dealt with better through Bill 100, except that the minister would suggest this is just for Metropolitan Toronto and that is why she wanted to place it in that bill. I have some other opinions on whether it is just for Metropolitan Toronto in the long run.

As I did on May 28, once again I indicated during the discussion of the estimates of the Ministry of Education, specifically on June 7, at the beginning of those estimates, and in the subsequent week, the very strong opposition of the Ontario Liberal caucus to Bill 127.

On that committee, my colleagues and I voted in favour of a resolution designed to have public hearings. I admit this was a different approach that would have had public hearings before second reading of Bill 127. This would have given the minister the opportunity to have the kind of input necessary before proceeding with the many stages of a bill of this kind. I thought it was a rather reasonable suggestion made to the committee, and certainly my colleagues did as well. Unfortunately, the Tory majority that rules in committees these days prevented this exercise in democracy from taking place.

Also in committee, ultimately because we recognized after the vote in the committee that we were going to have second reading of this bill before the House, I asked for an undertaking from the minister at that time, which she did give—I do not know whether it was a reluctant undertaking on her part, but it was an undertaking nevertheless—to allow this bill to go to committee. Of course, the opposition has the opportunity to force the bill to committee simply by having 20 of our members stand up and forcing it to a standing committee of the Legislature.

She did give an undertaking that there would be public hearings. It was our suggestion that these public hearings should take place in the month of September and that at least some of the sessions should be held in the evenings so that those who do not have access to the Ontario Legislature in the daytime would have the opportunity to make representations.

**Mr. Foulds:** That was our suggestion.

**Mr Bradley:** Certainly we were among those who made that suggestion. I know the members

of the New Democratic Party would like to claim full credit for this, but we recognize in this case that they are on side with us and we welcome their support for our initiative.

**Mr. Grande:** We accepted your support at the time.

**Mr. Bradley:** Having accepted the fact that we have the support of the New Democratic Party, and my friend the member for Oakwood (Mr. Grande) will indicate this very clearly in his remarks, we have extracted from the government a promise that these hearings will be in the month of September. I think they will be held during the first, second and third full weeks of September. There will be some hearings at night, and I believe the bill will be going before the general government committee.

At the time of her estimates, the minister stated that one of the problems with having the hearings in September would be that she has some long-standing commitments and would find it impossible to be present. As the opposition, we decided to push this matter to the hilt, regardless of whether the minister would be there. We hope she will take every opportunity to be at as many of the sessions as possible.

We also recognize that by insisting that the hearings be in September, we are not going to be favoured with her presence on at least some of those occasions. That is something we will have to accept. We recognize that the minister would have preferred to have these hearings in July, which would have been more convenient for her. I know if the Minister of Education can possibly be there, she will be present in person to hear all the representations that will be made.

Be that as it may, as the lawyers would say, we have the September hearings. The House leaders have agreed to this. We have extracted this promise and, once again, the opposition has been triumphant in the field of securing justice for the citizens of this province.

Our vehement opposition to Bill 127 stems largely from our belief in local autonomy and our view that this bill represents an assault on local autonomy and teacher-board negotiations in Ontario and on certain aspects of the financing of education at the local level in Metropolitan Toronto.

It is our view that this is at the very least an experiment in regional negotiations, and at worst a prelude to regional negotiations throughout Ontario and even, perish the thought, to province-wide negotiations. The minister on many occasions has said this is not the case, that we are not moving in this direction. But she will

forgive us if we and many in the education community do not have at least a suspicion that this is merely a prelude to regional negotiation across the province. This is something we would oppose rather strenuously in this House and in other forums.

I am glad the Minister of Industry and Trade (Mr. Walker) is here tonight—and I emphasize the word “trade,” because they did not let him go to Japan and I wanted to see him go to Japan since he is the Minister of Industry and Trade—because I want to use one of his favourite sayings which I have used before. He has said in the House on a number of occasions, “You don’t fix something that isn’t broke.” I know he meant “broken” and was just using a common colloquialism. So I will correct his grammar a bit and say that in our view the Minister of Education is fixing something that is not broken in the case of negotiations in Metropolitan Toronto and that we do not need this tampering with the existing system. So we will strenuously oppose this on every possible occasion.

Another motivation that has been suggested is the minister’s desire to rein in the Toronto Board of Education. Certainly her speech has been covered rather extensively in the Toronto newspapers. One headline reads, “Minister Faces Party Split Over New Education Bill,” and then the article goes on to talk about her speech to the St. David Progressive Conservative Association. It is worth noting some of the things that were said on that occasion—or were reported to have been said, to be fair to the minister.

The article says: “The Toronto Board of Education is recklessly extravagant, more interested in politics than education and out of step with reality, Education Minister Bette Stephenson said last night. She blasted the NDP-dominated board in a speech to the St. David Progressive Conservative Association.

“Stephenson was defending proposals she has introduced in the Legislature which would centralize certain powers in the Metro school board. The proposals, which are bitterly opposed by New Democrats and teachers’ unions, are necessary because of the behaviour of the Toronto board, she said.

“In recent years, for instance, the Toronto Board of Education has discovered a bright side to deficit financing. The way it has worked is that the Toronto board accumulates a deficit and the other boards have collectively picked up the tab,” Stephenson said. Her proposals, scheduled for passage next fall, would stop that

by forcing the Toronto board to pay all its own bills.

“Ann Vanstone, Toronto board vice-chairman, who also sits on the Metro board and is not part of the NDP caucus, said she flatly disagreed with Stephenson’s suggestion.”

We see a situation where we have the Minister of Education being very critical of the Toronto Board of Education, which has taken what I think can be safely described as some different initiatives in the field of education. There are those who would suggest that she wants to rein in that board of education by placing more powers in the metropolitan board, where the NDP influence is not so great. That is something the minister will answer to or not, but that is a feeling among some in the education community, certainly those in Metropolitan Toronto.

Some would say that she would treat it as a specific problem in a body, with surgery being performed on the Toronto Board of Education to extract that particular problem from the process so that the whole body, that is the Metropolitan school board, would then rule for the benefit of everyone.

**Hon. Miss Stephenson:** Your analogy is lousy. Obviously you know nothing about surgery.

**Mr. Bradley:** That is true. The minister is correct when she says I know nothing about surgery. I hope I will not have to experience that in my lifetime. However, I will leave that behind.

**Mr. Ruston:** Have you diagnosed his ailment yet, Bette?

**Hon. Miss Stephenson:** Yes, a long time ago.

**Mr. Bradley:** My colleague should not ask the Minister of Education that question.

**Mr. Ruston:** Please tell us, Bette.

**Hon. Miss Stephenson:** If I were not charitable, I would call it microcephaly.

**9:30 p.m.**

**Mr. Bradley:** Some people see the education bill as yet another example of the Ministry of Education attempting to centralize control of education in this province. There were some earlier this evening who said Bill 46 possibly had that effect in more minor ways than this. The minister would have heard the discussions in the back room and will hear them further in committee.

In our view, Bill 127 has introduced an element of compulsion into the negotiation process, compulsory joint bargaining by panel



and compulsory regional bargaining in Metro Toronto. At the present time, through agreements and co-operation, joint panel and regional negotiations may already take place. To introduce a mandatory aspect to negotiations is repugnant, not only to the teachers themselves but to all aspects of negotiations and all those interested in good negotiations and good labour relationships in Metropolitan Toronto.

The compulsion the minister is extending to this area is repugnant to those who like to see the opportunity for individual boards of education to negotiate the important items with their teachers. If they do wish to negotiate together on a voluntary basis, that is fine and dandy, but she is compelling them to do so.

There is already evidence the introduction of Bill 127 is having a detrimental effect on teacher-board negotiations for the upcoming school year with contracts that are going to expire on August 31. Many are watching this legislation to determine just how it might affect teacher-board negotiations. There have been fears expressed by many that this is going to have that kind of detrimental affect. I have no reason to doubt the fears that have been expressed are anything other than the truth.

The provision for reducing the discretionary level for individual school boards within Metro Toronto from 1.5 mills to one mill, although she did say she made one change tonight, greatly concerns us as it reduces the opportunities for individual boards of education to meet the special needs of those people within their jurisdictions. The people within a jurisdiction at municipal election time have the opportunity to turf out trustees they feel are being extravagant with their funds.

If those people elect people who want to spend more to meet the special needs of an area in education, and if they approve of them through the electoral process, I do not know why the minister would want to become involved or interfere in this process of democracy at the local level.

There are some questions about the legal interpretation of certain language within this bill. The examples set forth are, for instance, the definition of exactly what is a financial benefit and the method by which the number of teachers to be employed by a board is determined. These are matters which I will discuss a little later on as I quote from various sources which have had something important to say on this matter.

There are some housekeeping amendments

in this bill. I know there are certain trustees who are concerned we get through the aspect that they can pay themselves and be treated as others at the Metro level, and that is fair, and that they can have a three-year term as others do, and that is fair.

There are other housekeeping items and some items that could not be classified as housekeeping, but are separate from the negotiating process which could be handled in a separate bill and need not be included in this bill. We might look at those in a different light at that time. But to include them in this bill means they are going to be held up because this bill is going to be subject to the public hearing process and the committee process of the Legislature in the month of September.

I would like to quote to the House and bring to the attention of my fellow members some important things that have been brought to our attention which I think have been very good. The Board of Education for the City of Toronto has made its submission and other boards of education have written to us about their views on this particular bill.

The teachers' federations such as the Ontario Teachers' Federation, the Ontario Secondary School Teachers' Federation, the Federation of Women Teachers' Associations of Ontario, the Ontario Public School Men Teachers' Federation, the French teachers' association—

**Hon. Miss Stephenson:** And the Ontario English Catholic Teachers' Association.

**Mr. Bradley:** Yes, as the minister says, and the Ontario English Catholic Teachers' Association; all these have expressed some concerns about this bill. All the affiliates of OTF have expressed some concerns about this bill because they see problems arising in other areas. In particular, the OSSTF has done some rather intricate research and has come to some interesting conclusions about the possibilities within this bill. I would like to quote from various sources. I am quoting now from the June 1982 memo from the president of OSSTF under the headline: "Metro legislation would change Bill 100 through the back door. Are you next?" It is presumably from Malcolm Buchanan, who is the new president of the OSSTF.

He begins by saying: "The bargaining rights of 8,400 colleagues in Metropolitan Toronto will be seriously eroded if a Pandora's box of amendments to the Municipality of Metropolitan Toronto Act is passed in the Ontario Legislature. The new legislation would make guinea pigs of Metro teachers in a pilot project

to test regional bargaining for the rest of the province.

"That is a harsh assessment—but a fair one—of the legislation which was introduced on Friday, May 28, by Education minister Dr. Bette Stephenson.

"The six Metro Toronto boards (city of Toronto, North York, Etobicoke, Scarborough, East York and borough of York) would bargain through a joint committee, beginning in 1983. On the other side of the table, the six OSSTF districts, representing 8,400 Metro teachers, plus two AEFO branch affiliates representing 31 teachers, would be legally required to negotiate through a similar joint committee.

"If boards and teachers representing one quarter of the province's population can be compelled to bargain regionally, logic suggests that a similar straitjacket can be imposed elsewhere—or even lead to province-wide bargaining. If I were a teacher in the Ottawa-Carlton area, in southwestern Ontario, in an area with regional government, or in many other areas where a similar pattern might be attempted, I would be listening closely to the debate on the Metro legislation. What affects Metro teachers today could affect me tomorrow.

"There has been an intense effort on the part of some ministry spokesmen to convince the public the new legislation is intended only to equalize the educational tax burden across Metro, and that local autonomy will not suffer in the slightest. (In one CBC radio interview, the Minister of Education said teachers and boards would still negotiate 98 per cent of their contracts at the local level—something that is totally contradicted by the wording of her legislation!)

"The reassurances have not convinced many parents who foresee the loss of programs such as special education and English as a second language when their school board is no longer able to afford hiring the additional teachers to teach those programs.

"They haven't convinced the City of Toronto Board of Education which voted unanimously to oppose what it called 'punitive' and 'devastating' amendments to the new legislation.

"They haven't convinced the leaders of any teacher group in Metropolitan Toronto—elementary, secondary or francophone—who are unanimous in condemning the proposed amendments.

"And they certainly haven't convinced a growing number of observers who believe the

Metro legislation is an oppressive act that would be condemned by anyone in the labour movement and which could be used as a negative precedent for many years throughout Ontario.

"Here are only a few of the reasons why the Metropolitan Toronto amending legislation should be scrapped." This is according to the OSSTF.

"The legislation ignores Bill 100, the legislation that governs teacher-board negotiations. After months of supposedly inviting reaction to proposed amendments to Bill 100, the government has tabled legislation affecting one quarter of the province's teachers without the same opportunity to assess and react. Yet even a brief overview of the Metro legislation reveals it erodes, limits and even contradicts Bill 100.

"The legislation cripples the ability of local boards to respond to local needs. School boards in Metropolitan Toronto have had until now the option of levying up to one and a half mills above the Metro-wide mill rate for elementary education. The new legislation would cut this by one third to one mill."

I understand some different thoughts were expressed on this tonight.

"The city of Toronto has already forecast this change will mean the loss of key programs and loss of a significant number of teachers. (A one mill discretionary levy for secondary education remains unchanged.)

"The legislation limits the ability of a board to retain teachers above a central formula established by the Metro bargaining, and leaves in doubt whether these teachers would have any contract protection. The local board would be allowed to hire additional teachers within the one-mill levy, but in the event of a deficit would have to eliminate the deficit first, using leftover money to hire the teachers. The teachers would be in a form of no-man's land because, without redundancy or seniority rights, they would be vulnerable to firing whenever they could not be accommodated within the one-mill levy.

**9:40 p.m.**

"The legislation reduces the accountability of local trustees to their taxpayers and employees. Under the new legislation, the key items in negotiations—salary, method of staffing and 'financial benefits'—will be settled at the Metro level. In future, therefore, a local trustee may plead that a request from the community or from employees is impossible because of the Metro contract. 'Blame Metro—not us.'

"The legislation dictates who will be on the Metro negotiating committee. In what labour



lawyers say is an unprecedented move, the legislation spells out in kindergarten fashion the makeup of the two committees negotiating the Metro 'master agreement.' No authority to delegate is provided. The Ontario Labour Relations Board has usually ruled that such dictation should be based upon patterns that already exist.

"The legislation creates a ridiculous situation for teacher affiliate groups. Under the proposed amendments, the joint teacher bargaining committee will have one representative from each of the teacher affiliates involved. This means, to cite just one example, that three members of l'Association des enseignants française de l'Ontario would have a representative on the teacher team with the same voting power as a Toronto colleague representing 2,400 OSSTF members. Ridiculous as this is, it appears to have occurred to no one who wrote the legislation.

"The legislation's double majority provisions are a disaster waiting to happen. The proposed amendments say that a Metro agreement must be approved by a double majority—a majority of those on both Metro committees and a majority of the groups which each committee member represents. In terms of the committees, the swing vote on the teacher committee could be the affiliate representing as few as three teachers. In terms of ratification, a vote across Metro could be determined by 2,900 out of 8,400 teachers voting to reject or accept. That is the reality of the legislation. But, again, this has not occurred to anyone writing the legislation.

"The legislation throws into the air the rights that Metro teachers already have under Bill 100. Once a Metro-wide agreement is signed on salary, staffing and 'financial benefits' (the legislation does not define what a financial benefit is) teachers are left in a confusing state. There is very little flexibility to negotiate anything locally because most of the budget has now been allocated. Moreover, the legislation says teachers and trustees must get the approval of all other boards plus the Metro board if they wish to negotiate anything that varies from the Metro master agreement. Should teachers decide to use the routes that Bill 100 now provides for arbitration or sanctions, they step into a paradise for lawyers."

My friend the member for Brant-Oxford-Norfolk (Mr. Nixon) would be pleased to hear that.

"Are legal sanctions possible once a Metro-wide agreement has been signed? Who, in fact,

is the employer? Against whom should one file a grievance? Some observers speculate that the rights of Metro teachers to undertake sanctions of any kind all but disappear in the new legislation.

"The legislation puts local boards and their employees into a straitjacket that seriously curtails their negotiating any items that have not been agreed to at the Metro level. Anyone doubting that statement should read this part of the material that announced the new legislation: 'A board will be able to implement a term or condition of employment at variance from or inconsistent with the terms of the jointly negotiated agreement only with the agreement by resolution of each of the other boards of education and the Metropolitan Toronto School Board.' Note that the local school board must get unanimous approval in order to be flexible or different.

"The more one considers the Metropolitan Toronto legislation, the more such horrors are revealed and the more urgent it becomes that teachers and parents from all parts of the province speak up against it."

He has suggested how people in the province can speak up against this piece of legislation.

The minister would know, perhaps, if the OSSTF as well has sought a legal opinion on the matter of the Municipality of Metropolitan Toronto Act, known as Bill 174. I will deal with that legal opinion at the present time. Sorry, that is Bill 127. I think Bill 174 was a famous act that is at the back of my mind. Was that not the Regional Municipality of Niagara Act where we were stuck with regional government? That is what that is.

**Mr. Ruston:** Yes, that's why you always remember it.

**Mr. Bradley:** I dream about it even.

**The Deputy Speaker:** Order. You are going to deal with a legal opinion and I am going to suggest, if it is a long legal opinion and you are going to read it for my benefit, would you read it slowly so at least I might follow it as well?

**Mr. Bradley:** I would be happy to do that. It is from Mr. Maurice A. Green of the law firm Golden, Levinson, which includes Aubrey E. Golden, who is a well-known QC, Martin L. Levinson, Maurice A. Green, Paul J. J. Cavalluzzo, James K. A. Hayes, Elizabeth J. Shilton Lennon and David K. L. Starkman. This opinion is for the president of the Ontario Secondary School Teachers' Federation. It is dated June 7, 1982, and it is addressed to Mr. David Hughes, who is

still president at the present time. Malcolm Buchanan takes over very shortly.

**The Deputy Speaker:** I remind you of the criticism I have often heard from all members of the House about extensive reading.

**Mr. Bradley:** But this is important. It is very important to elaborate on the position I am taking on this bill.

It says: "Dear David: You requested that I provide my opinion, in writing, as regards Bill 127, after meeting with the provincial executive on Friday, June 4. In general terms, my reaction upon reviewing such proposed legislation was one of surprise, annoyance and anger.

"I was surprised because the Minister of Education had originally proposed changes to the School Boards and Teachers Collective Negotiations Act, RSO 1980 (Bill 100), to bring about mandatory joint bargaining in Metro Toronto. It is illogical to place such amendments subsequently in the Municipality of Metropolitan Toronto Act. Such changes relate to labour relations, and properly should appear in Bill 100. I was also surprised because the substance of the proposed amendments differs greatly from those proposals released to the Ontario Teachers' Federation in January 1982 by Dr. Fisher.

"The minister's about face can only be seen as political game-playing, presumably hoping to attract little political attention from other parts of the province in relation to such amendments. If politicians and teacher groups are under the impression that the proposed amendments cannot affect them, they are sadly mistaken.

"My anger rises because the Metro bill has placed on the legislative table labour relations concepts which deviate greatly from past government policies and which, if followed across the province, would strip both teachers and boards of long-existing freedoms. Rather than create a legal and bureaucratic manure heap, the minister would have been more politically honest to have disbanded local boards of education in Metro à la Reagan and created one efficient school board.

"The concepts which I analyse in the following pages could easily be extended to any area of the province where regional government exists or is being extended. Thus there is no reason why a similar approach could not be forced upon Ottawa-Carleton, Hamilton-Wentworth or other convenient groupings. My annoyance arises simply because there are many provisions which have been badly drafted or have not been

thought through. There seems to have been no reference to how Bill 100 functions.

"As you are already aware, the bill envisages mandatory Metro-wide bargaining but only for salaries, financial benefits and the method of calculating staffing numbers. Nowhere do the proposals define a 'financial benefit' nor what is meant by 'the method by which the number of teachers to be employed by a board is determined.' For instance, is a paid leave of absence a financial benefit? Is a sick leave gratuity a financial benefit? Does a provision limiting the number of periods which a teacher may be required to teach consecutively incur upon the method by which the number of teachers to be employed is calculated?

"The proposed amendments fail utterly to provide any forum for clarifying answers to these problems, such as access to the Education Relations Commission or the Ontario Labour Relations Board. The last thing the parties need to engage in is endless litigation over what does or does not have to be negotiated on a Metro-wide basis. This result will clearly occur unless extensive amendments are made, and one does not need to emulate the experience of Nova Scotia, British Columbia or the United States, where endless arguments continue over what is or is not negotiable, or the manner of such negotiations.

"The worst part of the envisaged scheme relates to sections 130a(2)(3), 130f(2) and 130g(3). On the assumption that salaries, financial benefits and staffing are to be negotiated in a 'master agreement,' the teachers cannot negotiate and include in such master agreement other terms and conditions of employment, which could be applied across Metro, unless all parties, including the Metropolitan Toronto School Board, agree.

"This creates a prospective bombshell, apart from being contrary to section 8 of Bill 100 in law and philosophy. Section 130f(2) gives any board or branch affiliate the power to veto any item put forward for the master agreement. When such veto results, the proposal can only be taken up at the local level pursuant to section 130g(2)(3).

**9:50 p.m.**

"The first problem facing a branch affiliate in this scenario is that the local school board does not have to sit down to negotiate a local agreement, for section 130g(2) states only that a board and branch affiliate 'may negotiate' an agreement that does not fall within the scope of the master agreement. Thus, after a veto power



has been exercised under section 130f(2), local terms and conditions of employment could be lost entirely.

"The problem is further complicated by the fact that section 130f(2) would require unanimous consent of all parties to place an item on the negotiating table which does not fall within the master agreement, and such item, once negotiated, requires the unanimous support of all parties. However, the unanimous acceptance of such item runs contrary to the voting structure envisaged by section 130e(1)(2).

"Finally, by being able to relegate certain terms and conditions to the 'local level' the minister has placed unfettered bargaining power in the hands of the boards.

"We are all aware of the difficulty in negotiating nonmonetary items once financial matters are dealt with. Even when Metro did bargain concurrently they at least had the freedom to negotiate in the order they chose, i.e., usually nonmonetary items first. Thus, in the above scenario there is obviously far less bargaining power for an individual district when attempting to obtain local terms.

"The further unmitigated disaster in the proposed act is section 130g(3), which states that a local agreement cannot be made or renewed until the master agreement is made or renewed in accordance with the new amendments and Bill 100. Once the master agreement is made, section 53 of Bill 100 implies a no-strike, no-lockout provision in such agreement; thus, districts could not subsequently strike in order to obtain a local agreement, thus stripping away any vestige of bargaining power.

"One only has to look at an article providing job security to see what game-playing the boards could engage in. First, would such an article fall within the terms that affect the method of calculating the number of teachers to be hired? If the answer is in the affirmative, then such a provision could be lost by the double majority vote. If the answer is no, then the particular district would have to attempt to defend such article from a 'contract stripping' employer at the local level where (1) the district cannot force negotiations nor (2) go on strike.

"To provide an example of more minor drafting problems one can consider section 54 of Bill 100, which deems a collective agreement to form part of the individual teacher's contract. However, the new scheme provides for two collective agreements. Which one becomes part of the individual contract? Obviously, amendments to Bill 100 are required at the same time.

"Since section 130a foresees one master agreement between the boards acting as one party and the affiliates acting as one party, a question arises as to who would be a proper party to a grievance or arbitration hearing.

"The answer is likely similar to that of the construction industry in the industrial, commercial and institutional sector. In such sector, mandatory province-wide negotiations are required pursuant to the Ontario Labour Relations Act between employer bargaining agencies and employee bargaining agencies. Such EBAs represent employer organizations and local unions and/or a district council of local unions.

"The Ontario Labour Relations Board has held that, even though a grievance may be initiated by an individual employer or local union, once the matter proceeds to arbitration the original parties to the agreement, i.e., the EBAs, have a right to take part in the arbitration. There is thus a chance of potential complications envisaged by such scheme in relation to the administration of such agreement.

"Since the proposed act comes into effect upon the day it receives royal assent, except for section 8, the new scheme for bargaining could be in force during the currency of the present round of negotiations. The effect of this and section 130h(2) forces the parties this year to negotiate only a one-year agreement, for section 130h(2) states that any agreement entered into after September 1, 1983, is void unless made in accordance with the new negotiating procedures.

"Unfortunately, the effect of such section is also to render invalid any agreement which runs from September 1982 to August 1983, thus defeating and being contrary to section 10(3) of Bill 100. It is thus imperative that proper freeze provisions be inserted to protect the expiring collective agreement pending negotiations.

"Although section 130i may seem a logical provision for broader-based bargaining, the procedure is likely to produce endless litigation over whether a local condition is truly at variance with, or inconsistent with, the master agreement.

"Thus even if a tenure clause was maintained in a local agreement, or a provision limiting the maximum number of consecutive teaching periods, it is still open to other 'less friendly' boards to challenge such local provisions pursuant to section 130h (3) before the OLRB.

"A more sensible approach, if one has to live with the new scheme, is to allow access to the

OLRB before such local conditions are finally negotiated. Why spend time and money negotiating an item which later can be attacked? Surely the local parties should be permitted to apply to the OLRB during negotiations if they have a concern over including certain terms in the local agreement."

He goes on to say: "As stated earlier, the minister has performed an about-face in relation to the recently proposed alterations to Bill 100 released as recently as January 1982 by Dr. Fisher to the OTF. In those proposals, there was no attempt at controlling how many persons would constitute the negotiating committees, nor how such committees would handle the voting structure. Similarly, there were no provisions dictating how ratification of the agreement would take place.

"The proposals set out in section 130b, c and d, represent almost the worst aspect of the bill. They are abhorrent to the concept of self-regulation and have never before been attempted when this government has enforced broader-based bargaining.

"Firstly, although section 6 of Bill 100 states that a party to negotiations shall be represented by only one group, it very properly permits such groups to increase or decrease in size, or change its composition. That is a basic concept of noninterference in the bargaining process, and if a private employer attempted to dictate to a union such matters, a successful complaint to the OLRB would surely follow.

"Secondly, even when the government introduced province-wide bargaining in the construction industry"—the industrial, commercial and institutional sector—"it consciously shied away from legislating the size and makeup of the EBAs' negotiating committees, and allowed each group to establish their own rules for deciding on matters during negotiations, and for ratification. In fact the bill represents the first time this government has legislated broader-based bargaining without there having been a de facto practice of the parties over some years.

"When both accreditation of employers' organizations, and province-wide designations in the construction industry were introduced it was simply a legislating of already existing patterns of negotiation in the construction industry. Given the Ontario Labour Relations Board's jurisprudence on appropriate bargaining units, it is highly unlikely a Metro-wide unit would be decided upon.

"Section 130d (2) (3) dictates how the negotiating committee shall be made up, but only for

the purposes of negotiating the master agreement. A different composition is permitted when one district is negotiating a local agreement. As stated, this runs contrary to section 6 of Bill 100, and would exclude the right to vote in a 'takeover' situation by members of the 'takeover' team.

"Section 130e provides that for any decision-making purpose a double majority is required, i.e., a majority of the total number of the committee, representing a majority of the teachers 'employed by the board.' Presumably 'board' should be the plural 'boards,' otherwise, section 130e doesn't equate with section 130b (4), nor make sense.

"More importantly, section 130e (2) (3) refers to a 'decision' of the negotiating committee. This broad terminology would require branch affiliate ratification for a coffee break! More seriously, how can it be intended to require a double majority on every single decision that a committee has to make throughout negotiations?

"Such concepts are offensive to the philosophy of free collective bargaining.

"When one couples all of the above problems with the amendments proposed in section 130j, it is questionable as to why one needs local boards of education. In addition, since section 130j drastically limits local boards from hiring additional teachers, it is difficult to see how boards will be able to carry out their obligations pursuant to Bill 82, once proper guidelines are developed.

"Special education classes particularly seem to be vulnerable to vagaries of collective bargaining, something I presume the minister did not intend.

**10 p.m.**

"Finally, since the bill envisages two collective agreements, it is difficult to see how the parties are going to be able to comply with section 63(c)(d) of Bill 100, i.e. two agreements, one last offer, how many matters remaining in dispute?

"I find it especially disconcerting that the minister would invite a reasonable degree of consultation when amendments to Bill 100 were being considered, but totally bypass such a process when a far more serious piece of legislation is drafted, one that could set a dangerous precedent for the remainder of the province.

"I am sure there are other minor concerns that exist with the legislation; however, the above represents the most serious complaints I



could detect. If you have any questions in relation to the above, please do not hesitate to call.

"I certainly have no objection to you utilizing this opinion beyond the confines of the provincial executive and will be glad to field questions in relation to the same."

This is presented by the law firm of Golden, Levinson and I believe it was produced by Maurice A. Green.

This is rather extensive, but I must say he did take the opportunity, at the request of the Ontario Secondary School Teachers' Federation, to discuss this particular bill in great detail. The minister may disagree with some of the opinions that have been rendered by Mr. Green—

**Hon. Miss Stephenson:** And with some of the so-called facts.

**Mr. Bradley:** —and the minister may disagree with some of the conclusions he has reached; nevertheless, I think it is an excellent comment on this legislation. There have been other comments of which I know members of this House would want to be aware.

The next thing I will share with members of this Legislature is a letter from Duncan Jewell, president of the Ontario Public School Men Teachers' Federation, to the minister. I know all members of the House would want to avail themselves of the information contained in this.

The member for Oakwood (Mr. Grande) will recall this particular statement being bandied about or discussed and compliments flying about it. I think it was the minister's opening statement in which she said, "Let us never lose sight of the fact that the child as the learner is not only the centre of the school system but the only reason for its existence." I think the minister included that in her initial remarks during her spending estimates.

Mr. Jewell says in his letter:

"Dear Madam Minister:

"I am sure you are very familiar with Dr. Robert Jackson's final recommendation in the report from the commission on declining enrolments in Ontario.

"Trustees in this province have always endeavoured to keep budget cuts away from kids but they won't be able to if Bill 127 passes. The legislation will require the boards of education in Metropolitan Toronto to sacrifice programs and teachers to accommodate budget deficits—no other recourse will be available.

"The dismissal of teachers is virtually inevitable if the legislation receives royal assent.

"I implore you, Madam Minister, to withdraw

this legislation to protect the integrity of the educational system in Metropolitan Toronto. Under this legislation, it is conceivable that no local board could spend its tax money in innovative ways that improve education, reduce class size or provide for the special needs of children. School boards do not need to be placed in the position where they will be forced to apply the bill's new tax formula like a strait-jacket.

"I draw your attention to the last sentence of the Toronto Star editorial of June 21, 1982, which says, 'Bureaucratic efficiency and administrative simplicity are no reason to weaken a community's control over the schools its taxes support.'

"Help protect local autonomy now—withdraw Bill 127."

He attached a press release that expressed some of the concerns he had.

I know the minister mentioned the fact that the North York Board of Education generally supports the legislation she has put forward; therefore, I would share with members of the Legislature a letter I received signed by Mavis Simons, president, North York Women Teachers' Association; David Kendall, president, Ontario Public School Men Teachers' Federation, North York; Pierre Nadeau, president, l'Association des enseignants franco-ontariens, North York (Elementary Division). It reads as follows:

"Dear Mr. Bradley:

"As teachers within North York, we would like to raise a series of concerns that we have relating to Bill 127, the amendments to the Municipality of Metropolitan Toronto Act.

"We would hope that as a member of the Legislature, you would share our concerns on some or all of the following issues:

"(a) Should the voting and representation mechanism of the teams be specified in the act? L'Association des enseignants franco-ontariens, elementary, in North York will have one representative for 10 teachers while the Ontario Public School Men Teachers' Federation and the Women Teachers' Association of North York will have a total of two representatives for 2,250 teachers.

"(b) How can the board continue to maintain programs for special needs in North York if these continue to involve additional staff as they do now?

"(c) What is the status of members who hold centrally employed positions? Will they continue to be counted outside the Metro staffing

formula, or will they be moved inside the formula?

"(d) When will one resolve local issues? Once the central agreement is settled, what motivation is there on either side to discuss local matters?

"(e) Why is it necessary to reduce the option for local levies? If a board and the local taxpayers are prepared to fund special programs, why should the option be limited?

"(f) Who will determine the scope of issues that will be the responsibility of the Metro school board? What is 'at variance' going to mean? Can a system administer locally programs and terms decided at Metro?

"(g) How will parents affect education and program in North York if all the dollar decisions are made by representatives 'appointed' to the Metro board?

"(h) Who will be the employer of North York teachers? North York or Metro?

"(i) How sensitive will other Metro board representatives be to issues and concerns North York has raised and resolved. Many local arrangements will now require approval from all Metro boards prior to implementation.

"Our major concerns relate to the confusion this legislation promotes. Many of our questions cannot be answered. It appears that an attempt to resolve differences among the boards is producing legislation that will be punitive to the teachers, students and programs in North York.

"We believe that bigger is not necessarily better.

"If the approximately 9,500 elementary teachers in Metropolitan Toronto are forced to negotiate together, there will be a wider range of demands and the negotiation process will take much longer to complete.

"We would be pleased to discuss these concerns with" [any members of the Legislature].

Then the Toronto Board of Education expresses its concerns in a series of resolutions passed.

I know the member for High Park-Swansea (Mr. Shymko) is very concerned about this bill as is his colleague in the Conservative caucus, the Minister of Health (Mr. Grossman). They both are very concerned about this bill and I understand the member for Brantford (Mr. Gillies) also is concerned about the provisions of this bill. The only debate that takes place obviously will not take place openly in this Legislature, but we welcome your support when you are fighting within your caucus for those things in which you believe.

We hope the member for High Park-Swansea,

the member for St. Andrew-St. Patrick (Mr. Grossman) and other members from the city of Toronto who sit on the government side will be prepared to break ranks on this bill if they feel very strongly about the items contained in it, and that they will implore the minister to change her mind on very serious matters that arise from the debate that takes place.

Giving some of the reasons for doing it, the Toronto Board of Education, to which you would pay a good deal of attention, had these resolutions adopted at a special meeting held on Monday, May 31, 1982, regarding Bill 127. They are as follows:

"(a) That the Toronto Board of Education communicate immediately to the Minister of Education its shock at the devastating assault on local autonomy of the six area boards of education in Metropolitan Toronto which would be made through the enactment of the Municipality of Metropolitan Toronto Act, 1982, which will result in some or all of these boards being unable to meet their obligations to their students or meet the legal requirements of provincial legislation and related regulations.

"(b) That the chairman of the board immediately request a meeting between the board and the Minister of Education to consider the board's concerns about this proposed legislation, particularly its retroactive aspects.

"(c) That should the proposed legislation be referred to committee for study, the chairman and vice-chairman and director of education be authorized to make a presentation to the committee on behalf of the board.

"(d) That the director of education report to the board as soon as possible on appropriate actions which will be taken in light of the punitive legislation. Such actions could include some of the following:

**10:10 p.m.**

"(1) Advising the Minister of Education that if the legislation is enacted the board will be unable to meet its obligation as outlined in assessment of needs and special education, present and projected, without seriously reducing the quality and equitable availability of its educational programs in elementary schools by such moves as (a) increasing regular class size, (b) closing neighbourhood schools, (c) removing the staff allocation provided in schools with French immersion programs to balance regular class size in the English language and French language programs, (d) reducing the availability of English as a second language program for pupils who need this kind of help, (e) closing all



day senior kindergarten programs in its most inner city schools, and (f) moving the common starting point for core French from grade 4 to grade 5 or grade 6.

“(2) Advising parents of pupils being admitted to elementary schools’ self-contained special education programs after September 1982 that the board cannot assure integration into regular classroom programs beyond June 30, 1983.

“(3) Requiring all small school review committees to meet once the September 30, 1982, enrolments are known, since the proposed legislation could require the closing of a significant number of small neighbourhood schools.

“(4) Advising all elementary school teachers on staff September 1, 1982, that the legislation will require the termination of the contracts of approximately 50 teachers, effective August 31, 1983, and that, as required by existing legislation, the Minister of Labour be so advised.

“(5) Advising all nonteaching unions and associations this proposed legislation will affect the continued or proposed employment of a significant number of nonteaching employees and that, in accordance with existing legislation, the Minister of Labour be advised of the possibility of layoffs of this magnitude.

“(6) Ensuring that, when the board is considering any expenditure which could produce a deficit and which could not reasonably have been foreseen, the board seek a ruling from the Metropolitan Toronto School Board confirming that such an expenditure is an acceptable deficit.

“(7) That all members of the board take every possible step to make the parents and other members of the public aware that this legislation will take away virtually the last vestige of direct accountability from local board trustees since the process of determining the amount of money they can spend and the number of teachers they can employ will be enshrined in provincial legislation and left in the hands of the Metropolitan Toronto School Board.

“(8) That the director of education be authorized to support reasonable requests from parents’ groups regarding responses to Bill 127; that members of the board meet with their local MPPs—including the Conservative MPPs in this House—to familiarize them with the implications of Bill 127 in the Toronto school system; and that the chairman of the board be requested to arrange a special meeting of the four area parents’ councils as soon as possible to discuss the proposed bill and decide on appropriate actions.”

From these various resolutions everyone in the House will agree that the Toronto Board of Education is extremely concerned about the provisions of this bill, and is looking forward to the members who represent city of Toronto ridings supporting the Toronto Board of Education, which I understand unanimously rejected the minister’s Bill 127, even those members who are not New Democrats, and whom the minister seems to have a great fear of, because of the kind of initiatives they are taking in education.

There is also a letter, which I will not read, including many of the same arguments, from the Work Group of Metro Parents and the area council’s co-ordinating committee on staffing and Bill 127. I will just take out a very small part of this, their comments on Bill 127 itself. They are rather critical and written in some inflammatory language to the minister, but I will confine my quotes to Bill 127 itself.

“Parents demanded that Bill 127 should be scrapped for the following reasons: decisions affecting parents, children and taxpayers would be made by trustees not elected by them; local autonomy would be seriously eroded; equality would mean offering kids the fewest programs equally—uniform mediocrity,” as they call it; “teachers would lose such fundamental rights as the right to bargain with their employer; the local levy ceiling would be reduced causing the firing of 40 to 50 teachers in one board alone.”

They are quite adamant on public hearings on Bill 127, and perhaps will not be able to have their requests met, but they have asked the following: “We need the public hearings”—

**Mr. Speaker:** It being 10:15 p.m., I call the member to order and ask him to adjourn the debate.

**Mr. Bradley:** Mr. Speaker, if you will give me one minute I will complete my remarks. Otherwise I will go at some length.

Interjections.

**Mr. Bradley:** Okay, that’s fine.

**Mr. Speaker:** Would you move the adjournment of the debate, please?

On motion by Mr. Bradley, the debate was adjourned.

**10:27 p.m.**

## CORPORATIONS TAX AMENDMENT ACT

**Mr. Speaker:** We are voting on a motion by Mr. Ashe for second reading of Bill 114, An Act to amend the Corporations Tax Act.

The House divided on Hon. Mr. Ashe’s

motion, which was agreed to on the following vote:

### Ayes

Andrewes, Ashe, Baetz, Barlow, Bernier, Birch, Bradley, Brandt, Breithaupt, Cousens, Cunningham, Cureatz, Dean, Drea, Eakins, Eaton, Elgie, Elston, Epp, Eves, Fish, Gillies, Gordon, Gregory, Grossman, Haggerty, Harris, Havrot, Henderson, Hennessy, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Kerr, Kerrio, Kolyn, Lane, Leluk, MacQuarrie, McCaffrey, McCague, McGuigan, McLean, McMurtry, Miller, F. S., Miller, G. I., Mitchell;

Newman, Nixon, Norton, O'Neil, Piché, Ramsay, Reid, T. P., Riddell, Robinson, Rotenberg, Runciman, Ruston, Scrivener, Sheppard, Shymko, Snow, Stephenson, B. M., Sterling, Stevenson, K. R., Sweeney, Taylor, G. W., Taylor, J. A., Timbrell, Treleaven, Walker, Watson, Welch, Williams, Wiseman, Wrye.

### Nays

Breaugh, Bryden, Cassidy, Charlton, Cooke, Di Santo, Foulds, Grande, Johnston, R. F., Laughren, Mackenzie, Martel, McClellan, Renwick, Samis, Swart, Wildman.

[Interruption]

**Mr. Speaker:** I caution our visitors in the public galleries that there will not be any demonstrations of any kind.

Ayes 79; nays 17.

Ordered for third reading.

## EDUCATION AMENDMENT ACT

**Mr. Speaker:** We will now vote on a motion by Miss Stephenson for second reading of Bill 46.

**Mr. Nixon:** We will accept the same vote, Mr. Speaker.

**An hon. member:** Never.

**Mr. Speaker:** All those in favour of the motion will please rise.

**Some hon. members:** Same vote.

**Mr. Speaker:** I heard somebody say that the same vote would not be accepted. Is it the wish of the House that the same vote be accepted?

**Some hon. members:** Agreed.

The House divided on Hon. Miss Stephenson's motion, which was agreed to on the same vote as on the previous bill.

Ordered for committee of the whole House.

**Mr. Martel:** Just wait until we get to Bill 127.

Interjections.

**Mr. Speaker:** Order.

## BUSINESS OF THE HOUSE

**Hon. Mr. Gregory:** Before the adjournment of the House, if we can quiet the animals down, I would like to indicate the business of the House tomorrow.

The orders of the day for tomorrow are committee of the whole House, Bill 135, An Act to amend the Unified Family Court Act, Mr. McMurtry; Bill 26, An Act to amend the Highway Traffic Act, Mr. Snow; and Bill 84, An Act to amend the Highway Traffic Act, Mr. Snow.

The next item will be resuming the adjourned debate on the motion for second reading of Bill 127, An Act to amend the Municipality of Metropolitan Toronto Act, Miss Stephenson, with committee of the whole House as required.

**Mr. Cooke:** Are you going to have a quorum tomorrow, Bud?

**Mr. Speaker:** Order.

**Hon. Mr. Gregory:** In the committee of the whole House, Bill 46, An Act to amend the Education Act, Miss Stephenson; second reading of Bill 12, An Act to amend the Municipal Act, Mr. Bennett, with committee of the whole House as required; second reading of Bill 13, An Act to amend the County of Oxford Act, Mr. Bennett, with committee of the whole House as required; and second reading of Bill 15, An Act to amend certain acts respecting Regional Municipalities, Mr. Bennett, with committee of the whole House as required.

I would like to inform the House that we will sit from 10 a.m. until one o'clock and will resume at two o'clock and continue until six o'clock. We will resume again at eight o'clock and will sit until 10:30 p.m. That will be accompanied by the usual motions by the retard from Windsor for amendments, quorum calls and so on.

**Mr. Martel:** On a point of order, Mr. Speaker—  
Interjections.

**Mr. Speaker:** Order. It is very difficult to hear what is going on.

**Mr. Martel:** Mr. Speaker, I listened and you listened carefully to some of the remarks made by my friend. I want to tell you that if he thinks he is going to get any legislation with that kind of comment, he will be lucky if he gets two bills all day tomorrow.



**Mr. Nixon:** On the point of order, Mr. Speaker—  
Interjections.

**Mr. Speaker:** Order.

**Mr. Nixon:** I am not worried so much about the bills tomorrow, but if the acting government House leader would just consider some of his

adjectives and withdraw them, it might be helpful. I do not really believe they were appropriate. He cannot call a member a retard.

**Hon. Mr. Gregory:** I do withdraw those adjectives, Mr. Speaker.

The House adjourned at 10:36 p.m.

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No. 86

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Thursday, June 24, 1982

Morning Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Thursday, June 24, 1982

The House met at 10 a.m.

Prayers.

## ORDERS OF THE DAY

House in committee of the whole.

### UNIFIED FAMILY COURT AMENDMENT ACT

Consideration of Bill 135, An Act to amend the Unified Family Court Act.

**Hon. Mr. McMurtry:** Mr. Chairman, I do not have any amendments to propose.

Sections 1 to 5, inclusive, agreed to.

On section 6:

**The Acting Chairman (Mr. Robinson):** Mr. Renwick moves that section 6 of Bill 135 be amended to read as follows:

Section 24 of the act is amended to read as follows: This act is repealed on the first day of July, 1983.

**Mr. Renwick:** Mr. Chairman, the minister will recall that during second reading debate I expressed concern that there had been no opportunity for this assembly, or any of the members responsible as critics of the Ministry of the Attorney General, to deal with the evaluation procedures carried out to establish whether the model that had been set up achieved, or was in the process of achieving, the goals forecast for this court as a trial court for unified family court treatment of family cases, before it became a generalized concept to be established across the province.

The minister has introduced a bill which would have removed the self-destruct provision of the bill and by so doing simply established the court permanently. I feel the evaluations leave many questions unanswered.

I am content because the Attorney General was good enough to send to me, and to my colleague the Liberal Party critic, the Report on the Unified Family Court of the Judicial District of Hamilton-Wentworth, submitted to the Ministry of the Attorney General of Ontario and the Department of Justice, Canada, by Andrea D. Maurice and John A. Byles, dated October 1980, and subsequently, because there is a reference in that evaluation report, the study

prepared on behalf of the ministry on the administration of the court and its procedures by Ernest W. Lawson, the consultant, dated May 31, 1978.

A perusal of each of the reports would clearly show to the members of the assembly that the question of the evaluation of the courts is a matter which leaves many questions still unanswered as to whether the goals are being achieved. I do not intend to take up a great deal of time referring to the nature of the criticisms made in those reports. It does seem to me that when the Attorney General comes before the assembly, as he did to establish this project to change the administration of the courts in a significant way, we are entitled to ask whether or not the change has accomplished what it was intended to accomplish.

Each of the reports to which I refer has indicated clearly there is no overall reason to reject the original concept, no reason necessarily to reject the model developed and used in this unified family court for the judicial district of Hamilton-Wentworth. On the other hand, the reservations in the report and the criticisms of certain aspects and procedures of the court leave no doubt there is a long way to go before the intended goals will be achieved.

The appropriate time to deal with this question is when the estimates of the Ministry of the Attorney General are before us later this year. In order to avoid misunderstanding about the kinds of problems that remain in the courts—and I know that because the consultant's report is dated 1978, the Attorney General can say there has been significant improvement, but we do not have any updated report to tell us that—I want to read very briefly one of the reservations expressed in the consultant's report about the procedures of the court.

"Paramount of the problem areas is the question of court scheduling and the related procedures of docket/list preparation.

"This procedure currently creates the most obvious confusion with the clients and associated social agencies. It also uses a large percentage of available clerical time, and produces (potentially) the most costly errors in wasted resources. Hence any improvement can have widespread

benefits both in the court and in the outside agencies.

**10:10 a.m.**

"Court scheduling and related procedures are not simple tasks. They utilize a wide range of skills, forms, space and physical plant, access to files and other resources. Hence a change to this procedure must be multidisciplinary in nature. It should be well thought out and tested on an experimental basis prior to the adoption of any change. The stakes are high for both improvement or failure.

"This report addresses a potential technique that may assist in the work simplification, and also looks at the space/environment or work place layout suited to court scheduling in the context of service dispatching."

It is obvious that there are still many problems. I use only that one example from the summary of the consultants' recommendations to illustrate the points that I wanted to make.

I would ask the House to carry this discussion completely so that we can deal with the reservation expressed in the other study about the court to which I referred, the study by Andrea D. Maurice and John A. Byles.

Dealing with the conciliation services of that court, this report simply states, quoting from page 94:

"The actual needs of the unified family court and the families it serves were unknown and difficult to predict with respect to social services at the outset.

"The model was developed primarily by judges and lawyers; the model would have benefited from greater input from social service professionals in the community providing service to family court clients.

"The kinds of social services and the roles to be played . . .

"The organizational structure has not supported the social arm and helped it to integrate with the legal arm, affecting the ability of the court to function effectively as a whole. The roles and responsibilities of court administrators and the conciliation advisory committee were not clear to those involved.

"Some social service professionals perceived the status of the social arm to be less than equal to that of the legal arm, a factor which they believe hindered integration of the two arms.

"Lawyers reported that a lack of information and clear guidelines for using conciliation services hampered their integration with legal services.

"Conciliators reported that inadequate orien-

tation and training made it difficult to integrate their services within the court structure.

"The conciliators reported feeling professionally isolated and without any mechanism for obtaining the clinical consultation or supervision necessary to maintain high standards of practice.

"Legal and social service professionals both reported that the service lacked sufficient personnel to serve clients adequately.

"Social service professionals believe that the lack of an intake service has adversely affected the efficiency of the conciliation services."

Again, I have selected only one comment contained in the report to illustrate again for the future what I have tried to say about this court to the Attorney General on second reading.

We do not intend to divide the House on this amendment, but we place it to show our concern about the inability of this minister to consult with the assembly to establish that this unified family court is along the road somewhere, at what point he is in achieving the purpose that this assembly originally established for that court, and the serious defects in the processes used by the Attorney General with respect to this kind of matter.

I can forecast that the provincial court project in Toronto with respect to small claims, which is taking place in Scarborough, will have the same problem. I have not seen any evaluation study. I have heard rumours that an evaluation study was at least commenced with respect to that court and at some point I am quite certain we will be asked to establish that court on a broader basis across the province.

I am serving notice on the Attorney General that we will not be quite as gentle the next time if we do not receive and have the opportunity to discuss the progress of that court concept and the model which is being used in Scarborough in relation to what were traditionally the small claims courts.

Both matters, the state of the unified family court and the project in Scarborough in the small claims areas, are matters that I would like the Attorney General to make a particular note of so that when we come to those matters in his estimates in the fall, we can have a thorough discussion in the standing committee on administration of justice about these changes.

One does not have to be a lawyer to understand that the courts' inertia against change is immense. To change court processes and procedures and to combine the paramount element of justice with the needs of efficiency and



proper processing is an extremely difficult task. We are very sceptical about it.

But I would not want any member of this assembly or any member of the public who happens to hear or read of these words to think the unified family court in the Hamilton-Wentworth area is some very fine success. A great deal of work has to be done before that court achieves its purpose.

The comparative statistics, for example, between the work in the unified court and the work in the diverse courts of the adjacent judicial district of Waterloo, indicate quite clearly that there are very real questions as to whether or not the solutions of the cases have been altered in any way because of a change of process.

I am not suggesting for one single moment that there are not some positive factors about the court. This party is not objecting to either the concept or the model. Our concern is whether the model is achieving the goals, objectives and purposes in a satisfactory way in relation to the very communities which it is intended to serve.

Many problems are still involved with it, and these reports set out those problems in great detail. If the Attorney General chooses to comment on the amendment which I proposed to the committee, I would like him, if he is able and willing to do so, to give us some assurance that during his estimates we will have an adequate opportunity to discuss these reports.

In addition, I would appreciate receiving whatever information there is about the other major problem related to small claims and the project in Metropolitan Toronto so we can, without having it suddenly placed before us in the assembly—and I emphasize that this bill came to us only on June 3 of this year, even though the court would otherwise have expired on July 1—have well in advance whatever studies are under way now; or, if none is under way, if my information is incorrect and it happens that none is under way, that it be undertaken immediately so we would have it in ample time before the estimates come before the standing committee on administration of justice this fall.

In the short time that I have had the report, I have not had an opportunity to share it with my colleagues, both present and former in the social services area as critics of this party. I look forward to doing that and having some positive response about the obvious theme throughout the one report—that the social services are very

much a junior part of the unified family court concept and have not as yet been given the kind of full recognition that was originally intended without dividing the court into two sealed compartments, separate and distinct from each other.

The work of co-operation of the legal profession with the social services field is one which takes a great deal of time and thought, let alone the question of other disciplines which may be involved in resolving complex and difficult family affairs through any court process.

I look forward to the Attorney General's response.

**10:20 a.m.**

**Mr. Breithaupt:** Mr. Chairman, I will not repeat the comments made by my colleague the member for Riverdale, other than to suggest that the time has probably come for the standing committee on administration of justice to use some of its estimates time to look seriously into not only the circumstances with respect to the development and maturity of the unified family court in the Hamilton-Wentworth area, but also into the small claims experience in Scarborough.

I see the chairman of the standing committee on administration of justice, the member for Oxford (Mr. Treleaven), is here this morning, and I say in an aside a goodly portion of the estimates time on the Attorney General's ministry could well be spent on probably a visitation to both of these locations for some background information, and as a result a look in depth as to how these two projects have developed.

I have no particular objection to the situation here with respect to section 6. It might be useful to have this bill continue for a year in order to ensure that the Attorney General does come before the House, or at least in his estimates explains how things are developing. On the other hand, if he is prepared to undertake that kind of response, I would be quite content to let the bill pass.

We have in these reports a number of comments such as one suggested by the member for Riverdale as to observations for changes which still occur in the developing administration of that court. I am sure we have the same circumstance in the small claims situation.

We have this opportunity, on this section that is before us today, to seek from the Attorney General his response as to how we should look to the future of the development of this court system. I would look forward to having a substantial portion of the Attorney General's



opening remarks in discussion of his estimates dedicated to the development and the procedures in this particular area and also in that small claims area.

As I have said, it would be time well spent as part of our estimates procedure to come to grips with an area of the administration of justice. This area, and the small claims area, would be convenient and practical and would bring the standing committee into the field to see what is going on.

There are many themes to be discussed in the administration of justice. A variety of subjects has come before us these past several months that members will want to discuss in the fall. But we would have the opportunity to look seriously into one aspect and try to do a job as we see how that theme is developing.

My colleague has referred to the comparative figures between the Waterloo region and Hamilton-Wentworth. The Attorney General will want to make some response, because even those reports are now several years old. There has, I am sure, been assimilation in the operation of the courts, in the development of procedures and, it is hoped, in the balancing of the social service area with the judicial traditions of the court framework.

I would be quite pleased to hear from the Attorney General as to when he will bring us up to date on how this procedure is working. If it means a commitment to go into it more thoroughly in the estimates in October or so, that would be quite satisfactory.

The time has come, now that the court has been in operation for a number of years, to take a serious look at how it is developing so that we can be assured the system is proceeding in the right way.

The small claims area has also been referred to and it may well provide another opportunity for us to spend a portion of our time delving into those two themes in an appropriate and professional way.

I look forward to that opportunity and to hearing what the Attorney General has to say about the suggestions that have been made.

**Mr. R. F. Johnston:** Mr. Chairman, I want to make a couple of comments to the minister. The member for Riverdale has already indicated our support for the bill.

This summer, the standing committee on social development is going to meet on the question of family violence. Our first emphasis will be on wives as victims of abuse and their interaction both with the social service network

and policing in the province and also with the courts. One group we will ask to come before us has some representatives from the court in Hamilton who will tell us their firsthand experience.

A number of us have been looking forward to the idea of the unified family court being expanded so that social services can be integrated more humanely with the legal system, in terms of assisting both victims and litigants in the legal system.

I have some real concerns with some of the criticisms—maybe that is too strong; with some of the concerns—raised in the report on pages 94 to 97 in terms of the feeling of isolation by social service agencies in working with the court and their feeling of a lack of power and maybe a second-class rating within the operation of the court at this time. One of my concerns would be to hear from the Attorney General.

I appreciate that critics from both opposition parties are encouraging the Attorney General to emphasize in his estimates where he sees this whole policy area going in the province. For me, as Community and Social Services critic, I think the possibilities and the potentials of the unified court system in terms of aiding social service agencies in the province are just enormous. I would hope he would spend a fair amount of time both in his estimates looking to the future, and also today, if he will, in terms of responding to some of these concerns by the social services portion of the unified family court and how he sees that changing over the next little while.

**Hon. Mr. McMurtry:** Mr. Chairman, I certainly welcome the interest of the members opposite with respect to the unified family court. I say that with a great deal of sincerity because I know they are truly interested in and very supportive of the concept, and I can appreciate some of the concerns that have been raised. Many of these concerns relate to the day-to-day administration of the courts. I think they will learn—and I think the estimates procedure will be a very good opportunity to explore some of these details—that some of these administrative problems have been ameliorated to a considerable extent in the last two years.

A new trial co-ordinator has been appointed and that has had a beneficial effect. Some problems relating to courts administration, as the members opposite well know, are not, unfortunately, peculiar only to this project. The efficient administration of the courts in this province is something that will always remain a



very significant challenge for the Ministry of the Attorney General.

I think the members well understand that the concept of conciliation, the interaction of the social service agencies with our courts, particularly with the unified family court, is a relatively new concept. Certainly, there have been and will continue to be some growing pains. The history of the court system is largely related to the adversarial system. The interaction of social service agencies with respect to the courts of justice, as I mentioned a moment ago, is still relatively new and we are still very much at an experimental stage.

**10:30 a.m.**

At the same time I should say there is increasing recognition and acceptance of the fact that the traditional adversary model is not particularly appropriate for the resolution of family disputes.

It is our belief that while it is essential to maintain the adversarial approach, this should be regarded as a last resort and every effort should be made to mediate family disputes, to encourage conciliation, without forcing the parties through the emotional trauma so often a part of the trial process.

Unfortunately many parties caught up in the deep-seated emotions of these family disputes are determined to have their day in court regardless of the consequences and despite efforts directed towards mediation and conciliation.

There is no question the whole process of conciliation and the extent to which it can effectively dovetail with the justice system is still at the experimental stage. We are still learning. We just do not have sufficient history and tradition to expect it to run as smoothly as we would like.

Of course we are concerned about the availability of resources, not only in relation to the unified family court project in Hamilton where, quite frankly, they are better than in many other parts of the province, but we sincerely welcome the interest of members opposite in this project and I welcome interest as well in the civil court project going on in Metropolitan Toronto.

It is absolutely essential that we continue to explore alternative dispute resolution approaches. We recognize that the traditional adversary system has become very expensive, quite apart from the emotional trauma often associated with it.

In my view, one of the principal challenges of this decade, and I am sure decades beyond, will

be to find alternative dispute resolution models. I certainly would welcome a visit by the justice committee to both the unified family court in Hamilton and the civil court project in Toronto.

I would hope that a good deal of time could be set aside to explore the whole issue of court administration, and particularly these areas. I can assure members opposite that those in my ministry directly involved with these projects will be alerted forthwith to the increased interest among members of the assembly.

I think their awareness of this increase in interest will be regarded positively. We will be happy to make those directly responsible aware that in the estimates a certain amount of time—I hope a significant amount—will be taken up in a very careful analysis of the various issues that have been raised.

It is important to demonstrate to the people in the province that the unified family court concept is going to be a permanent feature of the administration of justice. For that reason I do not wish simply to renew the project for another year. It will be salutary to all involved to let them know it is going to be a permanent feature, but at the same time to communicate the concerns that have been expressed. While general agreement exists as to the validity of the concept, there are some concerns about the effectiveness of the operation, the extent to which it truly serves the public, particularly those who are caught up in these disputes.

While there is general agreement about the value of the concept, the fact that members opposite have expressed concern about the effectiveness of the operation is very healthy in the matter of improving these models. Certainly the court system can be improved generally. In these particular models we are dealing with new concepts and the potential for improvement is even greater.

The fact that the justice committee, through the opposition justice critic, has indicated its intention to take a good look at the unified family court project will be very helpful in the process. I would even be prepared to add some time to the estimates of the Ministry of the Attorney General, if that is deemed appropriate, in order to engage in a very careful analysis.

In conclusion, I would like to reiterate that I welcome comments from the members opposite and their genuine interest in the success of these projects. Although I am not willing to accept the amendment from the member for Riverdale, I respect the motivation behind it. We are certainly put on notice that the degree of account-

ability that must exist is something to which a great deal of attention is going to be paid in ensuing months. I welcome that participation.

**Mr. Renwick:** I have two or three very brief comments. I appreciate what the Attorney General has said about the amendment. I am not going to press it; I have made my point. I am certain the removal of the deadline will be accompanied by a removal of the sense of urgency to get on with correcting various problems that have appeared as the model which was to carry out the concept becomes a reality in the area served by the court. That is a very real concern to me.

It may well be possible that in co-operation with the chairman of the standing committee on the administration of justice, the Attorney General could arrange before his estimates for some of the members of that committee to visit the courts in Hamilton and Scarborough. In that way we would have some actual firsthand sense of the operation of the court before we proceeded to try, in his estimates, to get a hold on whether or not the improvements are effective.

**10:40 a.m.**

A very brief further comment to close my remarks about the debate: I refer to the kind of essential problem that is of such concern to me; I am quite certain it will be of concern to others. Chapter 4 of the report by Andrea D. Maurice and John A. Byles is headed "The Outcome Evaluation." On page 164 in that chapter in the summary about the evaluation, the report states as follows:

"Almost all lawyers and social service professionals surveyed think that families are better served in a court with unified jurisdiction. With its various social and legal services, the unified family court was considered to be providing families with a more informed result."

Then further down in the next comment—and this is the one that is most striking in the report: "Unified family court clients were no more satisfied with the results than clients in a nonunified family court system."

I suppose that illustrates more than anything else the problem of the administration of justice. The professionals involved get wrapped up in the system and think it is great; the people whom the courts are designed to serve do not feel that sense of satisfaction.

I think that is a fair statement about the essential concern I have about the court. I appreciate the opportunity to participate in this

debate. Our other comments can await the estimates of the ministry.

**Hon. Mr. McMurtry:** I very much favour the member's idea of arranging visits. I will certainly co-operate in every way I can to make those visits possible before the estimates. I think that will be very helpful.

**The Acting Chairman:** All those in favour of Mr. Renwick's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

Section 6 agreed to.

Sections 7 and 8 agreed to.

Bill 135 reported.

## HIGHWAY TRAFFIC AMENDMENT ACT

Consideration of Bill 26, An Act to amend the Highway Traffic Act.

Sections 1 and 2 agreed to.

On section 3:

**The Acting Chairman (Mr. Robinson):** Mr. Snow moves that subsection 3(4) of the bill be struck out and the following substituted therefor:

"Subsection 90(8)(b) of the said act is repealed and the following substituted therefor:

"(b) governing the use of different child seating and restraint systems based on the age, weight, height or birth date of the child, or the relationship of the child to the driver or owner of the motor vehicle, and prescribing or adopting by reference manufacturers' recommendations concerning the manner in which a child is to be secured therein;

"(c) prescribing classes of motor vehicles, drivers and passengers;

"(d) adopting by reference in part or in whole any code, standard or specification concerning child restraint systems;

"(e) exempting from any of the provisions of this section or the regulations made under this section:

"i. Any class of motor vehicle.

"ii. Any class of driver or passenger.

"iii. Drivers carrying any prescribed class of passenger and prescribing conditions for any such exemptions."

**Hon. Mr. Snow:** Mr. Chairman, this amendment gives a broader and a more precise definition of the regulation-making powers of this bill and I would be pleased to answer any questions on it. It allows us to adopt by refer-



ence the federal regulations for child seats and child restraint devices.

**Mr. Cunningham:** Mr. Chairman, we will be supporting the amendment. I want to thank the minister for providing a copy of the amendment to us.

The only comment I would make—and I do not know if it entirely relates to this bill, it may relate to regulations—is that the ministry should make some aggressive move to ban standing on school buses. I think the chairman of the committee might be attracted to that point of view too.

There is something inherently hypocritical about our legislative stance that requires people to use seat belts or restraint systems while permitting standing on school buses. I realize it will be an expensive proposition to implement, and I for one am inclined to favour government restraint, but I believe the cost in terms of injury, suffering and human life may exceed that concern. It is within our power to minimize if not eliminate standing on school buses. I think that should be an immediate goal of the ministry. I commend the minister for sending the amendment over to us and we will support it.

**Mr. Samis:** Mr. Chairman, we will support the amendment since I think it is an improvement on the previous subsection. I would also like to speak in support of the comments made by the member for Wentworth North regarding the problems on school buses.

Like him, I do not know if one can ban such things, but I think we do have to tighten the regulations on limits and enforcement. It is a difficult problem in an age of restraint but I do think something has to be done.

Beyond that, we will support this amendment.

**The Acting Chairman:** All those in favour of Mr. Snow's amendment?

Motion agreed to.

**Mr. Samis:** Mr. Chairman, one small further amendment.

**The Acting Chairman:** Mr. Samis moves that section 3 be amended and a new subsection 5 be added to read as follows:

"The purchase of an approved child restraint device shall be exempted from the provincial retail sales tax."

**Mr. Samis:** Mr. Chairman, the purpose of this amendment is to recognize the economic climate in which this legislation is being introduced. We are faced with massive layoffs, wage freezes, wage cuts. This legislation will impose a financial burden on some families in the prov-

ince of somewhere between \$40 and \$120 depending on the situation.

In view of the added burden of between \$125 and \$305 per family imposed on the families of Ontario by the recent provincial budget, and because this legislation makes this purchase mandatory, the least we can do to accommodate the current economic climate is provide sales tax relief for families that have to purchase these devices. That is the rationale for the amendment.

10:50 a.m.

**Mr. Cunningham:** Our party is anxious to support this very intelligent endeavour proposed by my good friend, the member for Cornwall. I was talking yesterday with an unnamed civil servant who I know is reasonably well paid but his pay is justified by the tremendous job he is doing. He mentioned to me that he has three or four children and he had the foresight to buy these devices in advance to protect his children.

When I contemplate the dilemma a family of two or three or four would have in buying these things, especially in these difficult economic times, the sales tax component alone could involve an expense of \$12 to \$15. Some of us may think that is not a lot of money, but with the number of people unemployed, laid off, etc., one thing we can do to induce people to buy these devices, apart from the legislative feature that will require them to, is to remove the retail sales tax.

Not long ago we brought in the seatbelt legislation. I sense it met with some resistance, if not very sincere opposition from several members of the Legislature—members from all three parties if I recall correctly. I choose not to criticize those individuals because in many ways I share their concerns.

One of the concerns I had about the implementation of the seatbelt legislation was the legislative requirement of it, and the reticence on some part of the public to accept it. Even today we probably have a compliance level of 65 to 70 or 75 per cent. Certainly, there is a great deal of abuse of Ontario law.

Many people either care not to or choose not to. The basis of the disobedience of the current seatbelt law, the reticence, the annoyance on the part of some people, is that the government is legislating that they must wear a seatbelt. One thing that can be done to encourage purchasing these devices, to facilitate goodwill and understanding with the consumer public, the driving public and the passengers, is to remove the sales tax.

It would be a very fine gesture on the part of the government to adopt this amendment, and require the Minister of Revenue (Mr. Ashe) to make the appropriate changes to his regulations to ensure this becomes a reality.

The minister may say this is not within his power. I sense that he, as a common sense sort of individual, is probably attracted to the merits of the amendment. I hope the minister would use whatever moral suasion he has with the Treasurer (Mr. F. S. Miller) and the Minister of Revenue to ensure this becomes a reality. I would be very disappointed if this amendment was not supported by all members.

**Hon. Mr. Snow:** I in no way disagree with the proposal or the reasoning behind this amendment. I cannot accept the amendment because the Highway Traffic Act is not a vehicle by which to amend the Retail Sales Tax Act.

As we were developing this legislation I made a submission to my colleague the Treasurer several months ago suggesting that consideration be given in his budget to exempting these devices for use by children from the Retail Sales Tax Act for the very reasons the honourable members have put forward. The Treasurer, in his wisdom, was unable to accept that suggestion. The Retail Sales Tax Act is now before the committee of the House and I suggest that would be the proper vehicle by which the members might wish to make their point. They could bring up in the committee study of the Retail Sales Tax Act that these devices should be exempted.

I do not disagree with the reasoning behind it whatsoever. However, I cannot accept the amendment in this bill.

**Mr. Samis:** I can understand the dilemma the minister is in. I would just make the point that the purpose of the sales tax was to apply to discretionary items. With the recent budget we have drastically and dramatically narrowed the scope of the definition of "discretionary." This is one product we are not only making nondiscretionary, we are making it mandatory, subject to fine and penalty if it is not acquired in the next 12 months and from here on in.

I do think it is a special situation. I understand the legislative dilemma it puts the minister in but we in this party feel strongly that parents should be given some form of relief from the financial burden of acquiring these child restraints.

**The Acting Chairman:** All those in favour of Mr. Samis's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

Section 3, as amended, agreed to.

On section 4:

**Mr. Stokes:** Section 4 is, in effect, amending section 92 of the act, permitting a greater length for highway vehicles. The section also has some reference to mirrors.

It is my understanding this will be done by regulation after experiments now under way have been completed. I am advised there are vehicles now operating on a test basis in Metropolitan Toronto that have a length of up to 98 feet. I do not know what that translates to specifically in terms of metres.

I am concerned about the length of vehicles. I know it is a problem throughout the province but it is a greater problem in northern Ontario where hills and curvatures are much more pronounced, and there is not the same number of dual-lane, triplelane or four-lane highways. Most of the highways in the north are single lanes. We are trying to get them—

**Hon. Mr. Snow:** At least there are two, Jack; they are not single.

**Mr. Wildman:** The other ones are cowpaths, eh?

**Mr. Stokes:** Single-lane; one each way. You know what I am talking about. You can only use one in any instance.

**An hon. member:** Unless you are like the government, going in two directions at once.

**Mr. Stokes:** Or unless you are like some of the drivers who straddle the centre line.

It is a concern in northern Ontario, particularly when you get that section of the act that prohibits trucks and trailers from travelling any closer than 60 metres apart. That is something like 180 feet.

**11 a.m.**

If you get a 100-foot vehicle or a 98-foot vehicle, you can appreciate how difficult it is to get by one of them, let alone four or five travelling on a northern highway one behind the other. And that happens in many instances. They will stop for a cup of coffee at a truck stop and tell their cares of the day to one another and set out in this cavalcade. If it happens to be raining or snowing or blowing, it is utterly impossible for a vehicle to get by them.

It is not too bad if the roadway permits them



to travel at the posted speed of 80 kilometres an hour, but if there is the slightest little grade, and given the loads they carry, they will quite often get down to as low as five and 10 miles an hour. If there does not happen to be a passing lane, as is the case in a lot of locations in northern Ontario, traffic simply piles up behind them. It creates a hazard if they do not maintain a distance of at least the 60 metres that is prescribed in the act, and they do not.

Frankly, I would like to see the distance they must maintain set as as much as 120 metres. When one sees these people pulling out of a truck stop, one could not get an average-size car between the tailend of one of these great big 18 wheelers and the bumper of the next one. They must be excellent drivers because how they do not run into one another is beyond me.

It is no consolation to people in northern Ontario who have to drive mile after mile behind these cavalcades, two, three, four or five of them, one behind the other. That is what concerns me. Even if we were to enforce the provisions of the act, it would be a lot better than it is now.

I know the enforcement of the Highway Traffic Act is not the minister's responsibility, but it is the responsibility of those people who are employed by the Ministry of the Solicitor General. I think the minister can use his good offices to insist that the Ontario Provincial Police and other law enforcement agencies in this province at least enforce the law as it is written at present. It is not, and I can attest to that.

I am getting a lot of complaints from constituents of mine who find themselves in the same position as I have described. They get out on a highway and they will travel behind these calvacades for mile after mile. The minister will know there is nothing more frustating than that. Of course, they will put up with it, they will tolerate it for a few miles and then they finally say, "Well, I am not going any place." So a driver will stick out his neck and will try to pass on a solid line. Of course, if it is raining, snowing or blowing, his visibility is impaired and it becomes even more dangerous.

I am hoping the minister will prevail upon his colleague the Solicitor General (Mr. G. W. Taylor), to insist that law enforcement agencies enforce the 60-metre provision in the existing act and be very careful to allow for the increase in the length of vehicles. If he is going to do that, the distance that must be maintained between

these very heavy and slow-moving vehicles must be widened.

**Hon. Mr. Snow:** I would like to respond to the honourable member's comments. First, I would clarify a couple of points. This amendment in section 4 of the bill, changes the length of a straight truck, not a tractor-trailer unit; it changes the length of a normal, straight unarticulated truck from 11 metres to 12.5 metres. Roughly, that is from 35 feet to 40 feet.

The reason for this is a program we have on among the provinces to try to come to more uniform dimensions and weights legislation for the trucking industry crossing our provincial boundaries. A number of the other provinces have the 12.5 metre legislation.

There have been some requests for it here, basically from the poultry-hauling industry for the trucks that haul the crates of live chickens. They want the extra length. I think it would be useful, perhaps, to those hauling baled hay and straw, which is light in weight, because they need the volume for energy efficiency and for the movement of these goods.

It has nothing to do with changing the length of tractor-trailers, which is now 21 metres, or 68 feet 10 3/4 inches. We are not proposing to change that and it will not be done by regulation in any case. The dimensions are in the legislation.

The member has referred to tests. I understand that there are offroad test demonstrations being carried out by the trucking industry. I believe that in the normal manner we have also issued one or two overlength permits to haul long loads. The ministry does that on a routine basis for hauling long pieces of steel for bridges, concrete beams and mechanical equipment of one type or another. In those cases we do allow special permits.

We have issued a special permit in conjunction with Dr. Uffen's commission on truck safety to allow the use of a double 45 trailer and also a triple unit, which are allowed in the other provinces. We have manufacturers in Ontario manufacturing the triple units and cannot even take one on the road in Ontario to test. In conjunction with my senior staff and Dr. Uffen, who wanted to observe the action of these longer units on the highway, we have issued special permits to allow these tests only.

As the member may well know, I have made statements in the past that I am very concerned about the thought of lengthening the units on our highways. To date, I have refused totally to consider the request of the trucking industry for

longer units. But in order not to hamstring Dr. Uffen, whom I have appointed and who I think is doing a terrific job in looking into the overall matter of truck safety, I did not feel it right to tell him he could not look at or consider submissions made to him by the public since he was appointed to hear those submissions. I thought it was an ideal opportunity.

I believe they took one of these three-unit trailers, which are used in Saskatchewan and Alberta all the time, although in different road conditions to those we have in Ontario, and I believe they made a trip on Highway 401. I have not had a report on it yet, but the intention was that Dr. Uffen would ride in the cab of the truck going in one direction, and then the other way he would follow the truck in a car, pass it and observe it on this trip, which we authorized with the special permit.

I will be awaiting with interest Dr. Uffen's recommendations when he brings in his report, which I expect around the end of this year. Certainly, this amendment does nothing to change the length of those long units. It changes the straight truck only.

The mirror part of the section relates to school buses, which we are now requiring to have a crossover mirror. That is a mirror which sticks out on the front of the bus to allow the driver to see whether there are little children walking in front of the bus close in where the driver may not be able to see them. So we are requiring crossover mirrors.

Those mirrors lengthen the vehicle and might put the vehicle beyond the legal 40 feet. We are saying that those mirrors, which we are now saying by law must be there, are not going to make those buses illegal by making them longer. That is the reason for that amendment.

I will pass on to the Solicitor General the member's comments in so far as enforcement is concerned. The act does say 60 metres between vehicles and that is close to 200 feet. I personally agree that should be enforced. It is not the easiest thing in the world to enforce but we should put a little more effort into it.

Section 4 agreed to.

11:10 a.m.

On section 5:

**Mr. Samis:** A small point, Mr. Chairman, on subsection 5(2). I made the point on second reading, and I again return to the point that in terms of the general public, if we are going to put out any ads, pamphlets or brochures to publicize the question of distance between a

vehicle and a school bus, at least we could try to make them bilingual, metric and imperial, so the general public will understand them.

I would dare say that of the visitors in the gallery today, 90 per cent of them do not know what 20 metres means. In the motoring public, I would say the same percentage applies. Within a few years that will change, obviously, but we are still in the transition stage. It would serve a very worthwhile purpose. You could do it in the same way as the supermarkets or some others: put in brackets after "20 metres," the words "X number of feet," "65 feet" or whatever it is. It would be more comprehensible to the general public.

Section 5 agreed to.

Sections 6 and 7 agreed to.

Bill 26, as amended, reported.

## HIGHWAY TRAFFIC AMENDMENT ACT

Consideration of Bill 84, An Act to amend the Highway Traffic Act.

Section 1 agreed to.

On section 2:

**Mr. Chairman:** Mr. Snow moves that subsection 7(3b) of the act as set out in subsection 2(3) of this bill be amended by striking out "in default of payment of a fine imposed upon conviction for a parking infraction or" in the second and third lines.

Mr. Snow further moves that subsection 2(3) of the bill be amended by adding the following subsection 3c:

"Where a person is in default of payment of a fine or part thereof imposed for a parking infraction associated with his permit, an order may be made under subsection 70(2) of the Provincial Offences Act directing that the permit not be renewed by validation until the fine is paid."

**Hon. Mr. Snow:** Mr. Chairman, this is a housekeeping amendment, a rewording that was requested by the Ministry of the Attorney General after they had further reviewed the original wording in the bill.

Motion agreed to.

Section 2, as amended, agreed to.

Sections 3 to 13, inclusive, agreed to.

On section 14:

**Mr. Chairman:** Mr. Snow moves that section 14 of the bill be struck out and the following substituted therefor:

"This act comes into force on a day to be



named by proclamation of the Lieutenant Governor."

**Mr. Cunningham:** Mr. Chairman, I would like some general direction on this with regard to what the general intention of the government would be with regard to proclamations so we might have a clearer indication of when it would be looking at proclamation.

**Hon. Mr. Snow:** As I understand it in this one section, one part of the bill relating to the Provincial Offences Act and the serving of notices, there are some small details to be worked out between the Attorney General's ministry and my staff as to notice. As soon as these details are worked out, we intend to proclaim this section of the bill. I do not anticipate any delays but we have been asked not to bring it in today or on third reading or proclamation of the bill or royal assent of the bill, but to leave a little time for the staff to work out the details on this section.

**Mr. Chairman:** Shall the new section 14 carry?

Section 14, as amended, agreed to.

Section 15 agreed to.

Bill 84, as amended, reported.

On motion by Hon. Mr. Snow, the committee of the whole House reported two bills with certain amendments and one bill without amendment.

#### MUNICIPALITY OF METROPOLITAN TORONTO AMENDMENT ACT (continued)

Resuming the adjourned debate on the motion for second reading of Bill 127, An Act to amend the Municipality of Metropolitan Toronto Act.

**Mr. Grande:** Mr. Speaker, I understood from the last day's discussion that the Liberal education critic had not completed his remarks, but obviously he is not able to be here today. I understand he was near the end of his remarks anyway, and had only a couple more minutes to go.

Let me say at the outset that as far as I am concerned and as far as the New Democratic Party is concerned, it is a very sad day when we have to stand in this Legislature and do our best to defend the educational system in this province from the attack that comes from that side of the House.

It is a very sad day for me particularly, and this is on a personal note. For the past 15 years of my life, all my working life, I have been

involved in many ways within the educational system to try in my own way to improve the quality of educational programs that are delivered to children and students at the high school level.

For me to be standing here to debate a bill which is scheduled to do nothing but lower that quality of education and destroy those programs which I and many other people within Metropolitan Toronto, within Ontario, have attempted over the years to establish and make firm within the educational institutions and the schools of the province, is very sad.

It is unthinkable for me to stand here and let the Minister of Education (Miss Stephenson)—I said "let"; we will not let her, of course—but it is unthinkable for the Minister of Education even to think of bringing in such destructive changes to education in this province.

This party, without any doubt whatsoever, is in total opposition to this bill. This party will vote against this bill on second reading and we will look forward to the September committee hearings that will be held on the bill.

As many members know, I was one of those people who felt so strongly about the destructive and punitive measures in this bill that a couple of weeks ago I stood in this Legislature and used unparliamentary language. I will not repeat that language, of course, because I want to continue with the debate today.

**11:20 a.m.**

The Minister of Education distorted the facts of the bill, distorted those facts for the simple purpose of making sure that what the people of Ontario would understand is that which comes out of the mouth of the Minister of Education.

How many people in this province really do look at the details of legislation? I would guess not very many. I would venture a guess that in this Legislature, of 125 elected representatives, I could probably count 20 to 25 people who really took a look at Bill 127, not only at what it says but the implications of Bill 127 for the educational system in Metropolitan Toronto.

The distortions, the half truths, the falsehoods that the Minister of Education has tried to perpetrate on the province are intolerable and—

**Hon. Miss Stephenson:** On a point of privilege, Mr. Speaker: The honourable member, and I say that advisedly, is using words which I think are quite unacceptable and are, in fact, inaccurate. I would ask that he be asked to withdraw those statements.

**Mr. Cassidy:** They certainly are not inaccurate.

**Hon. Miss Stephenson:** They are inaccurate.

**The Acting Speaker:** The Minister of Education has drawn to my attention, and indeed I did hear some of the remarks that have come into question. With respect, I would ask the member for Oakwood to withdraw the offending comments.

**Mr. Grande:** Mr. Speaker, with due respect, I do not know what the offending comments are. If the word "falsehood" is an offending comment to the minister, I would venture to say that in this Legislature that word has been used on many occasions.

**Hon. Miss Stephenson:** They are "distortion" and "falsehood."

**The Acting Speaker:** It has been drawn to my attention and I would draw to the attention of the member for Oakwood that he indeed used the word "distortion" on more than one occasion and you have impugned the motives of the minister.

**Mr. Grande:** Again, Mr. Speaker, the word is a good English word and has often been used in this Legislature. I do not understand. I thought the only word that could not be used in this Legislature was the word which I used a while back and for which I paid the price, but that other English words were perfectly legal and perfectly okay in this House. I just want to express those sentiments and leave it at that. I will not use any other words that might offend the sensitivity of the Minister of Education.

**The Acting Speaker:** I would say to the member for Oakwood, despite his explanation, that those words are still considered to be unparliamentary and I would again ask him to withdraw.

**Mr. Grande:** As I said, I want to continue with the debate and I do not want to get into any kind of wrangle. If the word "distortion" offends the minister, I shall withdraw the word "distortion" and I will replace it with "obtuse." Is that acceptable?

**The Acting Speaker:** Would you extend your withdrawal to include the word "falsehood" as well, please?

**Mr. Grande:** I will withdraw those remarks that offend the Minister of Education and those words that offend the Minister of Education.

**Hon. Miss Stephenson:** They offend the House.

**Mr. Grande:** On Monday, June 7, as many members of the Legislature know, study of the

estimates of the Minister of Education began in the social development committee. At that time I placed a motion before that committee and I want to put that motion on the record. Basically, it was at that time that the opposition to this bill began. That motion was:

"Mr. Grande moves:

"1. That the estimates of the Ministry of Education be set aside so that input from the public be now heard on the devastating effects that Bill 127, the Municipality of Metropolitan Toronto Amendment Act, 1982, will have on: (a) the delivery of educational programs and services to the children in Metro Toronto, (b) the orderly collective bargaining process between teachers and their respective boards;

"2. That the Education Relations Commission be present at the earliest possible date so that the members of the committee will have a better appreciation of how smoothly collective bargaining is progressing as of its last report, 1981, and of the impact that Bill 127 will have on collective bargaining within Metropolitan Toronto;

"3. That some or all of the public hearings be scheduled for evening hours to make it convenient for working parents and groups of working parents to provide input."

Basically, that is the motion I put before the social development committee. Unfortunately, that motion was defeated, because of course the government has six sitting members on the social development committee and the opposition combined has five members on the committee.

To this very day, I still do not understand why that particular motion was defeated in committee. Why would the Minister of Education and this government not want to have input from parents across Metropolitan Toronto and indeed Ontario, from teachers and from other people who are seriously and deeply concerned about education for their children? I do not understand why. However, the opposition is there; it is on record.

I think the people of Metropolitan Toronto and the teaching profession, the affiliates and the umbrella associations of the teachers, have won a battle. The battle is that we will have September hearings on this bill. While the Minister of Education was phoning and writing letters and trying her best to inform people, "No, we will have July hearings," none the less that first step in the battle towards the eventual disappearance—or as this button says, "Kill Bill 127"—has been successful.



I want to say to the House, for the record, in the social development committee I put it clearly to the minister without mincing any words, "Either we will have September hearings on this bill or you will not have the bill go past second reading." The Minister of Education, using her inflammatory words and her way of expressing herself with her emotional outbursts every now and then, said: "Oh, this is blackmail. I cannot condone this kind of blackmail."

**11:30 a.m.**

Whatever the minister thinks, it is a good legislative tool to be used, especially from opposition members who rarely, if at all, have any kind of power to persuade the majority government of the day to do anything for the people of Ontario.

In other words, I am not here to apologize at all for attempting to use the legislative tools at hand to accomplish what I think ought to be accomplished in the province. Basically, what I am saying is that I am happy, elated that the hearings are to be in September. I shared a deep sigh of relief with the thousands of parents in Metropolitan Toronto on the day that became final. I share that sigh with the 100,000 or more teachers in Ontario who likewise were very relieved when the September hearings became a reality.

**Mr. Laughren:** On a point of order, Mr. Speaker: I wonder if you could tell us whether you see a quorum.

**Assistant Clerk:** Mr. Speaker, a quorum is not present.

Mr. Speaker ordered the bells to be rung.

**11:36 a.m.**

**The Acting Speaker:** A quorum is present.

**Mr. Grande:** Mr. Speaker, as an aside to the debate, I hope some of the government members will remain in the House. Bill 127 happens to be an important bill and I hope government members who do not have a seat in Metropolitan Toronto would also have reason for concern about this bill. I will talk about that later.

In the past week, it has been customary that quorum calls have been more frequent than at any other time. Those people on the other side of the House obviously do not want to hear the debate. They are not interested in debate. They know what they want. They have a majority and by God they will do what they want. They do not want anyone in this Legislature to confuse them with facts. Obviously, their minds are made up.

They have decided to do whatever they have decided to do and in Bill 27—

**Hon. Miss Stephenson:** It's Bill 127.

**Mr. Grande:** In Bill 127, they have decided to do to education the kind of havoc they are wreaking with the sales tax bills and the budget they produced in this province.

I have a few words on the September hearings. Even though I realize the minister has commitments in the month of September and she so stated those commitments in the standing committee on social development, I hope the minister will see fit to spend as much time as it is physically and humanly possible for her to do during the hearings on Bill 127.

**Hon. Miss Stephenson:** The first week.

**Mr. Grande:** I understand the minister says she will be there during the first week. If I understand correctly, her itinerary for the month of September does not take her anywhere outside of Metropolitan Toronto. As a matter of fact a reporter was saying to me, "The minister is scheduled to go back to the Middle East in September," but I do not think she is going to go back to the Middle East. I want to say to the minister—

**Hon. Miss Stephenson:** Where? That's your opinion.

**Mr. Grande:** You are? I understood the minister was going to be in Metropolitan Toronto for some meetings with people, with ministers within Canada.

**Hon. Miss Stephenson:** That's part of it.

**Mr. Grande:** That is what I understood. If she is going to be in Metropolitan Toronto, and if she consents to have evening sittings of the social development committee so that working parents are able to put their feelings on Bill 127 clearly and simply to the minister, then I hope when we sit in the evening she will be able to sit at some of those committee hearings.

**11:40 a.m.**

**Hon. Miss Stephenson:** You don't understand that I work five evenings a week now.

**Mr. Grande:** I am not going to quarrel with the minister. Obviously she will make decisions in terms of her itinerary, in terms of her priorities, etc.

I want to repeat, this bill represents nothing else but a direct attack on children and student programs based on children's needs. It represents a direct attack on parental involvement in the education of their kids. It represents a direct attack on teachers in Metropolitan Toronto. It

represents a direct attack on small community schools in Metropolitan Toronto. It deals a very direct blow to the free collective bargaining process between teachers and their boards.

The minister has her way of expressing herself, and that is fine. I have my own way. This bill has created more public anger than I have ever seen in the seven years I have been in this Legislature, at least in terms of an education bill. The only thing that comes close, and is perhaps of greater significance in the life of this province in terms of education was the 1974 attempt in legislation by this government, this party, the Tories who sit on the other side, to bring in a bill forcing teachers to compulsory arbitration.

At that time, as we all know, the teachers of the province and the parents of children who were concerned about the education of their children, came down to Queen's Park and held probably the greatest demonstration that has been seen around Queen's Park. There were about 35,000 people on the front lawn and stretching all the way down University Avenue.

This bill reminds people of what happened in 1974. The public anger I am certainly experiencing in the office where I sit, obviously not directed at me but directed at this government, is of untold proportions. I am not exaggerating when I say in the last two to two and a half weeks I have had over 200 phone calls on this bill. Nor am I exaggerating when I say in the last two and a half weeks I have received, and I know the Minister of Education has received, many petitions. I know the Minister of Education has received hundreds of letters; that cannot be denied.

The parents, the teachers, anybody who is concerned about education in Metropolitan Toronto and outside is organizing to fight this bill. I am optimistic that the fight on this bill will be won. I am optimistic for many reasons. One is that the government never really likes pressures brought upon it by communities, parents or whoever. If we look back at 1974, they dropped the compulsory arbitration bill they had brought in; what they then did was to bring in the School Boards and Teachers Collective Negotiations Act, which certainly did not talk about compulsory arbitration. In other words, their initial proposal was dropped, and I suspect that this initial proposal in Bill 127 will go the same way as compulsory arbitration back in 1974.

Another reason I am optimistic that this bill will be dropped is that the Minister of Education does not enjoy the support of the caucus nor the

support of cabinet. I certainly do not have any internal knowledge of the debates or discussions that go on in cabinet, but it is public knowledge that people like the Minister of Health (Mr. Grossman), people like the member for High Park-Swansea (Mr. Shymko), and certainly the member for St. George (Ms. Fish), the member for Scarborough North (Mr. Wells) and the member for Eglinton (Mr. McMurtry), are opposed to this bill.

There are many people in that cabinet, people who have—how shall I put it?—some credibility, supposedly, within cabinet, are opposed to this bill. Basically, that is the second sign; and I am very optimistic that this bill will be, as my button says, killed.

The third sign is that while the Minister of Education attempts to put forth the view that this bill will affect only Metropolitan Toronto, nobody believes her, because basically the people I am in contact with and who get in contact with me are saying, "This is the first step the Ministry of Education and the government of this province are making towards taking away local autonomy." As a matter of fact, what they are saying basically is—

**Hon. Miss Stephenson:** I really would like to know what you smoke.

**Mr. Grande:** I will get to those remarks, which are not mine. I will read into the record—

**Mr. Cassidy:** On a point of order, Mr. Speaker: Could you make the minister withdraw that remark? The minister has just complained about comments made by the member for Oakwood; perhaps she had better subscribe to the same standards of conduct that she asks from other members of this Legislature. Ask her to withdraw that comment.

Interjections.

**Mr. Cassidy:** That is a slur on the character of the member for Oakwood made by the minister.

**The Deputy Speaker:** She has just withdrawn.

**Mr. Cassidy:** I think she should withdraw it.

**The Deputy Speaker:** She has.

**Mr. Cassidy:** She suggested that the member is not in full control of what he is saying. That is imputing motives, Mr. Speaker, and I suggest it be withdrawn.

**The Deputy Speaker:** She has withdrawn.

**Hon. Miss Stephenson:** It has already been withdrawn.

**Mr. Cassidy:** Thank you.

**Mr. Grande:** Thank you very much, Mr.



Speaker. As I said during the estimates of the Ministry of Education, any time the Minister of Education and I are debating I enjoy debate; I do not enjoy standing up here and giving a monologue, I really do not.

I was talking about the positive signs that make me feel optimistic that this legislation will be dropped. I was talking about the fact that many people in this province do not see this Municipality of Metropolitan Toronto Amendment Act as being just for Metropolitan Toronto; they see it eventually affecting the whole province.

**11:50 a.m.**

On that, I just want to mention—and I will return to it again—the speech the Minister of Education made the other night at, I believe, Rosedale Public School to the St. David Progressive Conservative Association. Ironically, that very same school will be one of the first schools to be closed if the effects of Bill 127 are going to come about and if the bill is not withdrawn. That particular evening the minister gave what I like to refer to as her “kneecap speech,” shoot at the knees, the very defensive kind of stance she took, which certainly did not in any way persuade anybody not to organize around Bill 127. As a matter of fact, she was trying to say to the Progressive Conservative members of the riding association that evening that this is not a Metro issue, it is just a Toronto issue. I understand what she was trying to do. I understand her plan of action, but it will not wash.

As a result of that speech, I have with me a news release from the Area Councils’ Coordinating Committee on Staffing and Bill 127. It is entitled, “Parents Slam Minister of Education.” They consider the Minister of Education has declared war on Metro parents. These are very harsh words. In effect, the other evening, the minister fired her cannon and it did not hit the mark. In fact, the cannon misfired.

The news release the parents put out said: “A Metro-wide meeting of parents from Etobicoke, North York, Scarborough, York, East York and Toronto has expressed deep shock and outrage at the Minister of Education’s speech given to the St. David Progressive Conservative riding association meeting tonight at Rosedale Public School.

“‘Her statement is filled with half-truths and innuendos,’ said Tina Cartwright, president of Danforth Gardens Home and School in Scarborough’ . . . ‘Bill 127 will increase the Etobicoke tax bill and result in more school closings,’ said

Michael Kinani, parent from Sunnylea school in Etobicoke . . . ‘Dr. Stephenson has declared war on all parents working to improve educational opportunities across Metro,’ said Barbara Gill, parent from Indian Road of Mountview school in Toronto.’

“‘Bill 127 will not increase equitable educational access, it will stifle local initiatives,’ said Sharon Scott, a parent from York . . . ‘Thank God the parents of Metro are concerned first with their children’s futures and not with the bashing tactics of the Minister,’ said Carolyn Riemer, chairperson of the Work Group of Metro Parents . . . The parents who have worked all year on matters of curriculum and staffing expressed dismay at being attacked and insulted by the minister for their many years of hard work and commitment.”

Basically, that tells it from the parents’ point of view and indicates how the parents received the minister’s remarks at Rosedale Public School the other evening.

I did say this legislation is a direct attack on children’s education in Metropolitan Toronto. I want to explain for a few minutes what that direct attack is. The Minister of Education knows or ought to know that in Metropolitan Toronto we have, sadly, a great number of poor kids who come to our schools. The minister ought to know that in Metropolitan Toronto approximately 50 per cent of the kids going to school come from immigrant families. Those children need special programs in order to learn English and learn it well.

The minister ought to know there are parents who want their children to take French as a second language in Metropolitan Toronto. Of course, there are children enrolled in bilingual schools and children enrolled in programs for exceptional children, whether they are children who are slow learners or children who are highly intelligent—in those two spectrums.

Boards of education across Metropolitan Toronto have decided, in their wisdom, that in order to meet the special needs of the children I am talking about, special programs have to be established. The ordinary program in a regular classroom where there are 30 children and one teacher is not enough. The children need special education programs in order for them to derive benefit from education and from the regular schooling.

In this bill, the Minister of Education in effect says: “You think you need these particular services and programs. I think you are spending too much money on them.”



**Hon. Miss Stephenson:** That's idiotic. Five of the the six boards in Metro have asked for the legislation. It is their legislation.

**Mr. Grande:** She says, "You are spending too much money on those particular services, on those particular programs, and therefore we will not allow you to raise the money to spend on those programs."

This legislation reduces the discretionary levy a board of education in Metropolitan Toronto can raise, from 1.5 mills to one mill. In effect, it is a reduction of resources for establishing programs for those children I talked about, namely children who come from homes that do not have the resources we would like everybody to enjoy, for poor families in Metropolitan Toronto and children who need special education programs. If this bill comes into effect, and I certainly hope it will not, special education classes and programs for children will have to be cut back. English-as-a-second-language programs will have to be cut back.

**Hon. Miss Stephenson:** That is incredible. It really is.

**Mr. Cassidy:** It is incredible; that's why we are opposing the bill.

**Hon. Miss Stephenson:** It is incredible that he would even suggest it. He knows it isn't true.

12 noon

**Mr. Grande:** Mr. Speaker, the minister—

**The Deputy Speaker:** That is all right. Just speak to me.

**Mr. Grande:** Mr. Speaker—

**The Deputy Speaker:** Right.

**Mr. Grande:** Yes. I am addressing you.

The Minister of Education does not want to understand. She knows that for her own benefit at this point she does not want to understand. If she really does not understand then she has not been in this Legislature for the past five years. She has not heard a thing I have said to her either in this Legislature or in the social development committee dealing with education estimates. I do not think the minister suffers from deafness.

**Hon. Miss Stephenson:** More's the pity.

**Mr. Grande:** The minister suffers perhaps from hearing only what she wants to hear, when she wants to hear it.

**Hon. Miss Stephenson:** That is your disease, not mine.

**Mr. Grande:** If the discretionary levy the boards of education across Metropolitan Toronto

can raise at present is reduced from 1.5 mills to one mill, as the bill says it will be, then certain programs will be dropped for children who come from poor families. Certain programs for children in special education will be dropped across Metropolitan Toronto; certain programs for children who take French as a second language will be dropped; certain programs for children who need to take English as a second language will be destroyed. Certainly, programs for exceptional children will suffer. There is no doubt about it.

The minister knows and I know that certain boards of education have established these programs, have attempted to meet the needs of their children in their schools much better than other boards. This is because certain boards of education in Metropolitan Toronto start with a basic philosophy different from this government.

I will try to put that philosophical difference in words and then try to put it in some kind of context. On one hand there are people who are deeply concerned about the education of their children—whether they be trustees, teachers or parents. These people say basically, "We have to develop and staff educational programs well to meet the needs of children," and the needs are definitely identified and quantified.

Then there is the other philosophy which says: "That is really nice for you to do. However, this is how much you can spend and develop whatever programs you want within that amount. If you fall short, too bad. If you cannot set up these programs; sorry, we cannot help you."

In other words, one of the two philosophical principles looks at the basic needs of students and of the community and develops programs to meet them. The other looks from the point of view of the amount of money this government wants to make available to school boards. It basically says, "With that amount of money, do your best, and if you fall short, we cannot help you." It is basically a philosophical difference.

As the Minister of Education knows, the Board of Education for the City of Toronto in the last 10 to 15 years has become a leader in creating and developing programs for the special needs of children. I learned this while I was a teacher with the Toronto Board of Education, and as a politician keeping in touch with what goes on with that board. There have been many delegations from countries outside the North American continent, and certainly delegations from the United States, which have come to the Toronto Board of Education to see what it is



doing to meet the special needs of kids. Articles written about the Toronto Board of Education in the past have certainly shown that, and have suggested that board has shown some leadership.

That is not to say the other boards in Metropolitan Toronto do not show leadership; they do. The board I represent in this Legislature, the Board of Education for the City of York, has shown leadership in developing a policy that basically says: "We want to keep small schools open. We do not want to close schools. We want to maintain, as best we possibly can, a small pupil-teacher ratio."

Those are principles the Toronto Board of Education agrees with. However, the Minister of Education in her speech the other night said: "You cannot do that. You cannot keep a low class size, you cannot keep a small pupil-teacher ratio. You have to close down your schools. We cannot have this."

**Hon. Miss Stephenson:** You are hallucinating again.

**Mr. Grande:** The Minister of Education says I am hallucinating. Perhaps she should be reading her speeches prior to delivering them.

**Hon. Miss Stephenson:** I am sorry.

**Mr. Grande:** The minister should not apologize for not being able to read her speeches before she delivers them. On page 3, paragraph 3, the minister says: "In a comparison of student enrolment, full-time teachers and the number of schools operated by school boards in Metropolitan Toronto, figures for the Toronto board are particularly insensitive to the enrolment decline. For example, the pupil-teacher ratio for the Toronto board dropped by three points from 21.9 in 1971 to 18.9 in 1981, making it the lowest for all of Metro." Imagine, Mr. Speaker.

**Hon. Miss Stephenson:** That is a fact.

**Mr. Grande:** Of course it is a fact. What is the minister saying? That the Toronto board of education—

**The Acting Speaker (Mr. Cousens):** Just make your presentation. There will be an opportunity.

**Mr. Grande:** Through those remarks the Minister of Education basically says: "Naughty, naughty, Toronto Board of Education. You should not lower your pupil-teacher ratio, you should not lower your class size; you should be more sensitive to enrolment declines and you should close schools."

**Mr. Kerr:** Hear, hear.

**Mr. Grande:** Good. I am glad you are in agreement with the Minister of Education. Larry Grossman is not; Yuri Shymko is not; Margaret Scrivener, whose Rosedale Junior Public School will be closed, I hope will not be in agreement; nor will Susan Fish and Tom Wells. I can—

**The Acting Speaker:** I ask the honourable member to remember that when we refer to other members in this House, we refer to them by their seats.

**Mr. T. P. Reid:** By their seats?

**The Acting Speaker:** Electoral districts.

12:10 p.m.

**Mr. Ruston:** Do you mean the empty blue seats over there? They are not here right now.

**Mr. Boudria:** Should we say the member for empty seat number two?

**The Acting Speaker:** The chair has used an incorrect phrase. Members may have another way of referring to them, but by their electoral districts would be a preferable way of doing it.

**Mr. Grande:** Two or three sessions past, the Speaker started to get me used to naming members by their names as opposed to their seats. Then the change came about. I will do my best to refer to—

**The Acting Speaker:** I recognize the difficulty in the matter.

**Mr. Grande:** Thank you, Mr. Speaker. In that speech, the minister told boards of education in Toronto and the borough of York that have a policy not to close small community schools, or at least to encourage the continuation of small community schools, "No, you cannot do that because you will be insensitive to the enrolment decline."

As an educator, as one who learned something about education in the province and what good, sound education is, I have always known the smaller the class size, the more good sound education will be given in that classroom. Research backs that up.

**Hon. Miss Stephenson:** Prove it.

**Mr. Grande:** If some members of the government disagree with that, fine. It is a basic disagreement. I happen to believe that in a time of declining enrolments—and that is fact; the figures do not lie—we should be saying that now we have this relief from the expansion of the 1950s and the 1960s we can really begin to take a look at the delivery of good, sound educational programs. This legislation says we cannot do that because we are interested in cutbacks—our

restraint program. Come what may, we are going to do it.

The next thing I want to mention is costs. The figures are very clear in terms of the kind of support this government has been giving education in the province and Metropolitan Toronto in particular.

In 1943 the provincial government provided to school boards 15.69 per cent of their costs in legislative grants. In his famous charter for postwar Ontario during that election in 1943, George Drew made a promise to the people of Ontario: "We will support education up to 50 per cent." When did this government fulfil that commitment? It basically fulfilled it in 1970, 27 years after the promise had been made by George Drew.

In 1970 the support the province was giving to education across Ontario was 51.51 per cent. We achieved a peak for the 1970s in 1975, when the province provided 61.37 per cent in grants to the boards of education. Between 1975 and 1981 the government was back to 51.37 per cent support, which basically returns us to 1970.

If the Minister of Education and the government want the people of Ontario to return to 1943, when it provided only 15 per cent support, it will do that. But let us make no mistake: The reason Bill 127 is before us today is directly related to the lessening of financial commitment to the education system in the province by this government. This government is saying, "We need Bill 127 because we want to cut back." Basically that cutback is going to be demonstrated in cuts in the kinds of programs I have outlined before.

I would like to give members a clear picture of the financing from this government to Metropolitan Toronto, which is really the area in question under this bill. By the way, if the minister is interested, the figures I am going to quote came from the Metropolitan Toronto School Board, just so she does not think I am making them up or pulling them out of a hat. The Metropolitan Toronto School Board stated last February 22, under 1982 general legislative grants, paragraph 2:

"A more detailed calculation is now being made by the school board staff, from which it appears the total grants to be received by the school board in 1982 will amount to \$166.1 million, a decline of \$28.3 million from 1981."

So the government did not support education in Metropolitan Toronto at the rate of inflation, as is customary. It did not say, "At least we will give you the same amount we did last year." No,

they are not satisfied with that. What they did was to give Metropolitan Toronto \$28.3 million less. Of course if Metro wants to make up this \$28.3 million it will have to go to its taxpayers and raise it. So it is a saving to the government, but it is an expenditure that comes out of the pockets of the ratepayers who support education in Metropolitan Toronto.

So what is the government doing to Metropolitan Toronto? They are not satisfied that the grant rate seems to be decreasing every year. Seven years ago, for every dollar spent in Metropolitan Toronto, 27 cents would come from the provincial government in legislative grants. Today, 15 cents for every dollar spent on education comes from this government. In other words, what it is doing—and will continue to do regardless of what anybody says—is shifting the burden of education in Metropolitan Toronto and elsewhere in Ontario. Instead of it being the responsibility of the provincial government—and after all, education is a provincial responsibility—this government is shifting the burden on to the local level more and more.

**12:20 p.m.**

The evidence is very clear. The local level pays more of the dollars for the cost of education. Then the Minister of Education and the government have the intestinal fortitude to say to the people of Metropolitan Toronto: "We will tell you what kind of education you will have in Metropolitan Toronto. You pay the bucks one way or another and we will tell you what happens."

If that is not an assault on local autonomy, if it is not an assault on the parents across Metropolitan Toronto who are lobbying and pressuring the Legislature to kill this bill, I do not know what an assault is. This bill does irreparable harm and I hope—I am optimistic and will remain optimistic—that the government will withdraw this bill as fast as possible.

I spoke to this Legislature about the special needs of children and how the programs to look after these special needs will not be met as a result of this bill. There is no doubt in my mind the Minister of Education will say, "By shifting the responsibility from the local level to the Metro level, Metro can look after that."

The Minister of Education knows darned well that one of the continuing fights that I, on behalf of this party, have had with the government concerns English as a second language. She has good, sound guidelines for ESL programs. The moneys generated for those programs and the



information to generate that money come from the area boards. That money goes to the Metro level and the Metro level says, "Sorry, we will not give you the money for those programs."

The battle has been going on for years. What makes the Minister of Education think Metro is going to be responsive to the needs of children at the local level when it has not been so, at least in this area, for the past 10 years? She is deluding herself totally. I want to put on record a letter that came to me from a person named John Van Burek, directeur artistique du Théâtre du p'tit bonheur. I wish I could read the letter in French because it was written in that language.

**Mr. Boudria:** Go ahead.

**Mr. Grande:** I will do my best. I will attempt it:

"Cher M. Grande,

"Je protests vigoureusement contre les recommandations proposées par la Commission Matthews et acceptées par le Ministère de l'Education (amending Bill 100) concernant le rapport entre le Conseil scolaire de Toronto et celui de la Communauté urbaine de Toronto.

**The Acting Speaker:** Extensive readings are not permitted. I see pages in front of you. Maybe you would be well advised to summarize it because to put in long letters like that is not within the rules of the House.

**Mr. McClellan:** I protest in the strongest possible terms, sir, your interrupting my colleague, who has read no more than three sentences of a document in the second official language. I think you should hear him out before you make any comments with respect to how long he intends to speak. Or is it simply the fact that he is speaking in the second official language?

**The Acting Speaker:** That is absolutely wrong, and you are out of order regarding the statement I made from the Speaker's chair. But I do challenge, and I ask the honourable member, if he is going to make a long quotation, to give me some idea. He has already given me a clue that it could be a long rendition. This House is not going to accept long renditions going into Hansard. If it is short, and there is a point to make, fine; but he has indicated he is going to read the whole letter, and I will not allow that.

**Mr. Grande:** Mr. Speaker, it becomes more difficult than I would want to read this letter to you. I am trying—

**The Acting Speaker:** Indicate the length and the duration. You have a purpose, I accept that, but if you can just give some feeling—

**Mr. Grande:** The letter is just four paragraphs in length.

**The Acting Speaker:** Thank you. Proceed.

**Mr. Grande:** As you stopped me from reading this letter, I will not read it at this time. I will just—

**Mr. Boudria:** On a point of order, Mr. Speaker: I thought this letter was very relevant and I was very interested in hearing the contents of it. I realize I cannot impose upon the member and ask him to read it in its entirety, but in view of the fact that it is short and concerns my community I would appreciate hearing the rest of it.

**The Acting Speaker:** Thank you. I have just made a very clear point to the House on extensive readings. A four-paragraph letter is certainly in order.

**An hon. member:** We will remember this when your back-benchers read entire speeches, Mr. Speaker.

**The Acting Speaker:** Order. The honourable member will proceed.

**Mr. Grande:** I will continue reading the letter because I think it is important. It is very important because it speaks to the services the boards of education provide to our French-speaking Ontarians. That is a very important matter, and this party is certainly on record in considering that to be a very important matter.

**The Acting Speaker:** Carry on.

**Mr. Grande:** The letter continues:

"Si le Conseil scolaire de Toronto perd son indépendance en matière d'embauche de professeurs, choix de cours et de programmes, ceci constituerait un affaiblissement majeur de tout ce qu'il y a de positif avec ce Conseil. Les efforts du Conseil de répondre aux besoins des élèves et des communautés 'inner-city' méritent les plus grands éloges, contrairement à l'indifférence avec laquelle les conseils des banlieus (notamment celui de North York) ont coupé leurs budgets et diminué la qualité de l'éducation dès que la province a pris des mesures de restrictions.

De plus, le manque flagrant d'enthousiasme pour les écoles françaises publiques dans les banlieus ne m'inspire pas confiance. Là-dessus, le Conseil scolaire de Toronto a fait beaucoup pour faciliter la vie de ceux qui ont la témérité de vouloir envoyer leurs enfants aux écoles françaises. Et Dieu sait, en Ontario, deci n'est pas un cadeau!

12:30 p.m.

"Donc, je vous demande de faire votre possible d'empêcher le transfert de pouvoir du Conseil scolaire de Toronto au Conseil scolaire de la Communauté urbaine de Toronto. Je vous prie, M. Grande, d'accepter, l'expression de mes meilleurs sentiments.

"John Van Burek, Directeur artistique," du Théâtre du p'tit bonheur.

For those members who, like me, need a translation, the letter says, basically, that the Toronto Board of Education in past years has been responsive to the needs of the Franco-Ontarian community in Toronto. What the writer of this letter expresses is that if the transfer of powers from Toronto to Metropolitan Toronto should come about, French education is going to have a very difficult time in having its voice heard and its needs taken into account.

The letter is really not different, in content or in feelings expressed, to the petition that I presented to the Minister of Education a little while back, which came from the Hawthorne II Bilingual School, and which I want to read into the record. It talks about changes to Bill 100, which was prior to the introduction of Bill 147 and, as far as most people knew, would be undergoing changes in the legislation. This letter and this petition are addressed to the changes in Bill 100. However, in its transposition to Bill 147, the content remains exactly the same:

"Dear Dr. Stephenson:

"We are parents at Hawthorne II Bilingual School, which is the only public school in Toronto that offers a fully bilingual (English-French) program for grades JK to 6.

"Recently, we have learned that you wish to impose joint bargaining for school boards in Metropolitan Toronto.

"We are strongly opposed to this amendment because we feel that the Metro board is not accountable to us as voters and, being a larger body, will not show sufficient sensitivity to the needs of local school communities. In particular, the Metro board has never shown itself to be a friend of smaller schools, parent initiative or bilingual education."

This petition and the letter that I read from John Van Burek point up the fact that as far as French education is concerned, either as a second language or as bilingual education in French, the people fear that the transfer of power from the local board, which has taken initiatives in this direction, to the Metro board, is going to be destructive to the delivery of

services in French, either as a bilingual subject or as a second language.

I mentioned at the beginning that this bill is also destructive of parental involvement in the education of their children. Let me just give the House one very brief example.

The boards of education across Metropolitan Toronto have the opportunity, and I think should have the obligation, to make sure parental involvement in the running of our schools becomes a reality. The reason is simply that they are the ones who pay the bills; therefore, they should have some kind of decision-making power in the running of their schools. It is very basic and democratic.

That process has started within the Toronto Board of Education in the past three to four years. Parents are getting involved with their schools and with parent education. They are getting involved with what are called staffing committees. This means that the parents, the teachers and the principal get together and decide the best way of using the available staff to meet the needs of the children of that school. Those staffing committees have worked and the parents have become thoroughly involved in the education of their children in their schools.

The last thing I heard was a petition that came to me from Christie Public School and I wish I had that petition with me. The parents there said, "Look, we need at least five more teachers than are allocated to us to run our programs."

**Mr. Ruprecht:** Most schools say that.

**Mr. Grande:** That is right. But I am saying that teachers, parents, principals and the community make that decision. Collectively across Toronto they have said that something like 400 more teachers are required to do the job.

The Minister of Education is not about to say to the Toronto Board of Education or to any other board in Ontario: "You need more teachers. We will give you a bit more money so you can meet the needs of those children and meet the needs of that community." Instead, the Minister of Education says: "No way; we want you to fire teachers. Get rid of them. We want you to close your schools."

It is basically destructive. Bill 127 is destructive of parental involvement with the schools. If one is going to have parents come to the schools one evening, sit around, chat with teachers and principals and express concerns, and nothing develops from that, there is no way the parents are going to be involved in the educational process in that tenuous way. That does not allow parents to get involved in the educational



system. The Minister of Education in Bill 127 says, "We do not want that process to continue."

If one looks at the report on the role of trustees, which again I do not have in front of me but I think I can recollect it, there is one section which talks about parental involvement. What did that report suggest? It suggested two things: That it is the right of parents to meet with the principal and to come to the school and make use of school facilities.

We are not back in the 18th century. It does not have to be spelled out in a report for the Ministry of Education that it is a right of a parent to meet the principal. What is going on here?

**Hon. Miss Stephenson:** It wasn't our report. It was the report of a special committee of parents and trustees.

**Mr. Laughren:** Why are you so defensive?

**Hon. Miss Stephenson:** I'm not defensive. I just wish he would be factual.

12:40 p.m.

**The Acting Speaker (Mr. Robinson):** Order.

**Mr. Grande:** If those are the limits, if those are the rights the parents are to have in the education of their children, then my God, we are really going backwards.

As far as this party and I are concerned, parents should have a major role in deciding what happens in that school. I am not going to say that only parents should have a role, but the parents, the teachers, the staff of the school and other people who are involved in the educational process should be deciding what that school needs, the kinds of programs that school requires and the development of the programs.

**Mr. Laughren:** The minister is forging ahead with her eyes fixed firmly on the rear-view mirror.

**The Acting Speaker:** Order.

**Mr. Grande:** The speech the minister gave the other night has certainly helped parents to understand where she stands. Mr. Speaker, do you know what the minister called these parents, the hundreds upon hundreds of parents who for years have been working in those staffing committees? A political faction.

**Hon. Miss Stephenson:** I was not talking about parents; I was talking about a group within the Toronto Board of Education.

**The Acting Speaker:** Order.

**Mr. Grande:** What were you talking about?

**Mr. McClellan:** We have your speech. We have read it. We know what you said.

**Hon. Miss Stephenson:** Yes, but you cannot read, obviously.

Interjections.

**The Acting Speaker:** Order. I would remind all honourable members of the style of debate in this House. It is for each member to speak, make his remarks in turn to the chair, and not for members to engage in debate across the House.

**Mr. Grande:** Let me tell the minister, the parents who are involved in these staffing committees are involved in a very serious and concerned way in developing programs for their kids with the help of teachers and of the educational community. Those parents certainly did not appreciate the remarks made by the Minister of Education the other night. As I said before, that speech will backfire. It will help to increase the number of people who become involved in forcing this government to withdraw Bill 127.

I also said that Bill 127 is a direct attack on teachers' associations and their affiliates. I will be quoting extensively from the material the teachers' associations and their affiliates have sent to me, as the Liberal critic yesterday quoted extensively from that material as well. Before I get into these remarks, I would like to say I wish the Minister of Labour (Mr. Ramsay) were present. Yesterday I wrote a note to the minister saying, "If it is at all possible, please be here tomorrow." I did not receive a reply, so I assume his itinerary has taken him elsewhere. I appreciate that he cannot be here.

However, the Minister of Labour was here yesterday, and I sent him a note expressing appreciation for the fact that he was here. If the Minister of Labour of this province took a look at this bill and what this bill does to the free collective bargaining process between teachers and boards, the Minister of Labour simply could not support it.

The reason Bill 127 is a direct attack on teachers and their affiliates is that, for the first time in Metropolitan Toronto and for the first time in Ontario, we have enough trained teachers to be able to look after the adequate staffing of our schools. Obviously, in order to do that, we should reduce the size of classes. I would have hoped the Minister of Education would have applauded any board of education, no matter where it is, which did that or which established a policy for reducing class sizes

slowly over a number of years. I would have hoped she would have said: "Yes, you are concerned about delivering services to kids. This is one way to do that." In that way we could maintain our qualified people to do the work they have been trained to do after spending a lot of years becoming certified teachers.

However, the Minister of Education and this government want to fire them, want to get rid of them. By June 1983, in Metropolitan Toronto alone, as a direct result of Bill 127, over 300 teachers at the elementary level will have lost their jobs. I am not one to think the jobs have to be saved. I am not one to say that security of teachers for the sake of security is what is important. I am saying those teachers are badly needed to look after needs of kids. The Minister of Education says: "No. Fire them. Get them out of there. We do not want those teachers to be working to look after the needs of kids. We want to save money. We want to spend less on education."

The bill says that the way the minister is going to be accomplishing this reduction in educational services in Metropolitan Toronto is by taking away from the boards and their affiliates the power to bargain, a power that everyone in this province would take for granted in the sense that an employee bargains with his employer. It is so basic to our way of thinking and to that of most of the people in the province, that it is unthinkable for a group of employees to have to go to a third party to bargain. That third party is not their employer. As far as we are concerned, it is a basic principle.

But through this bill, the Minister of Education forces all of the teachers in Metropolitan Toronto at the elementary level, the elementary panel, and all of the teachers of the secondary panel and all six area boards plus the Metro board to bargain jointly and to have one agreement, a master agreement, so-called.

12:50 p.m.

**Hon. Miss Stephenson:** Two.

**Mr. Grande:** That is right. I thought I made that distinction: one at the elementary panel, one at the secondary panel.

The Minister of Education says that when they bargain jointly, there are basically three areas that should be hammered out in the master agreement. One area is salaries of teachers, financial benefits. Another area is the number of teachers or the formula by which the numbers of teachers are allocated. I suggest that once the salaries and benefits have been negoti-

ated and the number of teachers a board will receive from the pool from the Metro level is established, the master agreement has been done. In effect, it leaves very little room or no room at all for any kind of local agreement between a board and its teachers. But the legislation is so convoluted that no one within the teaching profession, of the people I have spoken to in the last two and a half weeks, seems able to make head or tail of it. How will it work? What they tell me is that it is going to create chaos.

**Hon. Miss Stephenson:** Surely teachers are more intelligent than that.

**Mr. Grande:** I am not talking about teachers. I am talking about the lawyers who looked at the law.

**Hon. Miss Stephenson:** That is what you just said.

**Mr. Grande:** Obviously lawyers are not teachers and teachers are not doctors.

The fact is that this law, if it should ever come into effect—and I certainly hope it will not—is going to create chaos.

I am now going to quote from Genesis, from the Old Testament in the Bible. It is not a direct quotation, but it says "God created order from chaos." The minister, through this bill, wants to create chaos from order. She wants to reverse the whole process. Why does she want to do this? Why does the government want to do this? Why does the government want to create this imbalance in negotiations between teachers and their boards?

I can only suspect it is because teachers' negotiations in Metropolitan Toronto and throughout the whole province in the last four to five years have been running smoothly, have probably been the best. I know for a fact they have been, because the 1981 report of the Education Relations Commission says that the negotiations between teachers and the boards have never been better than in 1981.

This bill is not needed. By introducing this bill in this Legislature, the Minister of Education and the government of this province are creating problems where there were no problems.

The Education Relations Commission points out in its report of 1980-81, in talking about teacher and board negotiations for the year 1981:

"1. The length of negotiations declined in every panel—elementary, secondary and separate.

"2. There was a significant reduction in the



number of dispute resolution stages provided under Bill 100 which were utilized by the parties.

"3. There was a significant reduction in the number of third parties which had to be appointed by the ERC. The number of fact-finding appointments required under the act showed a large drop from 1979-80. At the same time, there was an increase in the appointments of mediators prior to fact-finding, a strategy recommended by the Matthews commission. There was a large reduction from 1979-80 in the number of last offer and strike votes supervised by the commission. Indeed, the number of such votes was the lowest since the enactment of Bill 100."

Finally, the commission says: "The 1980-81 experience is encouraging. Since the passage of Bill 100 in 1975, negotiations were becoming longer and longer. The parties seemed to be relying on third-party appointments to the commission to a greater and greater extent, and each year, prior to concluding an agreement, there was a tendency for the parties to progress through an increased number of stages provided in the act.

"Although the above is not meant to imply that there will not be ups and downs"—says the commission; that is fine, that is the nature of negotiations, so that is understandable—"between teachers and boards bargaining in the province, the 1980-81 experience thus constitutes the first reversal of some troublesome trends, and tends

to validate the ERC view that the collective bargaining process in Ontario education is functioning well and is in a fairly healthy state."

This is the commission which was appointed under Bill 100 to make it its business in terms of teacher and board collective agreements, and it gives us the information that the collective bargaining process has never been better since the enactment of Bill 75. The question is, why does the minister want to make it worse?

I will quote to the minister, as I have done at other places before, the report of the Matthews commission, which the minister herself set up a couple of years ago to make some recommendations in terms of changes to Bill 100. I just want to point out to her, on page 49, recommendation 18:

"The commission recommends that Bill 100 continue to provide for voluntary joint bargaining by French affiliates and by school boards, subject to adjudication by the Education Relations Commission, as recommended in recommendation 19."

**The Acting Speaker (Mr. Cousens):** The honourable member might have an opportune moment now to move the adjournment of the debate, it being the hour of one o'clock.

On motion by Mr. Grande, the debate was adjourned.

The House recessed at 1 p.m.

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Ontario. LEGISLATIVE ASSEMBLY

No. 87

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Thursday, June 24, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Thursday, June 24, 1982

The House resumed at 2 p.m.

## FETE DE ST-JEAN-BAPTISTE

**Mr. Boudria:** Mr. Speaker, I am sure all honourable members will join me today in expressing our good wishes to all French Canadians on this June 24. As we know, June 24 marks the birthday of St. Jean-Baptiste, patron saint of Quebec and of Canada according to the canons of the Catholic Church. It was on the birthday of St. Jean-Baptiste that explorer John Cabot made his historic landing in eastern Canada in 1496.

Monsieur le président, je demanderais à tous les députés de souhaiter bonne fête avec moi à tous les Canadiens français en ce 24 juin. Comme nous le savons tous, le 24 juin est la date de naissance de St-Jean-Baptiste, patron du Québec et du Canada selon le canon de l'Eglise catholique. C'est en ce jour historique que Jean Cabot arriva au Canada en 1496.

[Later]

**Mr. R. F. Johnston:** Mr. Speaker, I would like to join with the member for Prescott-Russell in recognition of St. Jean-Baptiste Day. Too often we do not recognize the national holidays and feasts of the French community in Canada.

I would also like as a combined point of privilege to thank you, Mr. Speaker, and the Legislature for assisting me with some of the costs of the immersion course I will be taking in Jonquière, Québec, in the next little while. Perhaps next year I will be able to stand and speak appropriately in the other language to celebrate St. Jean-Baptiste Day.

**Hon. Mr. Bernier:** Mr. Speaker, I am a French Canadian whose family dates back to 1656 in this country, with a long tradition in French Canada.

In fact, my family hails from Lévis, Quebec, and I am sure many members who are close to that part of Canada will recognize that town as an important community. St. Jean-Baptiste Day is an important day in my family and I want to join the member for Prescott-Russell in congratulating and complimenting all French Canadians on this important day in their lives.

My own family celebrates this day with a great deal of pride because Captain J. E. Bernier, as the members know, was one of Canada's

famous and notorious northern explorers. He laid claim to 25 islands for Canada in northern Canada, including Ellesmere Island. So I join the member for Prescott-Russell on this important day in congratulating all those from Quebec.

**Mr. Shymko:** Monsieur le président, je voudrais ajouter mes félicitations à cette occasion historique de la fête de St-Jean-Baptiste et ajouter aux mots de Monsieur le député de Prescott-Russell. Comme vous le savez, moi je ne suis pas d'origine francophone; je ne suis pas Canadien français mais en reconnaissant la contribution de la nation fondatrice du Canada, je voudrais souligner les services aux francophones qui ont été mis en place pendant la dernière décennie de la part du gouvernement de ce côté-ci et en même temps souligner que nous sommes tous, Monsieur le président, participants à la fondation de notre pays du Canada.

In other words, I underline that on the historic moment of June 24, we as Canadians are all founders in the building process of this great nation, along with the contribution of the English and French founding nations.

## ST. JOHN AMBULANCE

**Mr. Breithaupt:** Mr. Speaker, with respect to St. John Day I would also like to remind the House that today the organization of St. John Ambulance is beginning its centennial year celebrations for its activities within Ontario.

Next year, the first triennial convention of the Order of St. John will be held outside of London, England, here in Toronto. So St. John in that context, not only as an important souvenir of the francophone traditions within our province but also as a reminder of the service of those volunteers in St. John Ambulance and the Order of St. John as well, comes to mind on this happy day.

## ONTARIO STRAWBERRIES

**Mr. Nixon:** On a point of privilege, Mr. Speaker: I want to inform the House that the strawberries available in the restaurant at noon and later today, if any remain, are provided through the generosity of a farmer in the constituency of Brant-Oxford-Norfolk, Joe Misuida of RR 1, St. George. They are just an example of

the quality produce available in southwestern Ontario, and particularly in—

**Mr. Stokes:** You said you bought them. They were a courtesy.

**Mr. Nixon:** Well, you did not buy them.

**Mr. Stokes:** You said you did.

**Mr. Nixon:** All right. If I choose to be generous and assist you, just be grateful.

## STATEMENTS BY THE MINISTRY

### CLASS ACTIONS

**Hon. Mr. McMurtry:** Mr. Speaker, I am delighted to be able to table today the three-volume report of the Ontario Law Reform Commission on class actions. The report marks the culmination of the massive project of research and scholarship that began in November 1976 when I asked the commission to look into this important and difficult topic.

In almost 900 pages, the commission has reviewed every aspect of the law relating to class actions. The report concludes that current Ontario law on this subject is inadequate and unnecessarily restrictive. In an interesting review of current cases such as that resulting from the Mississauga train derailment, the commission concludes that our legal system does not offer effective procedural mechanisms for coping with litigation arising from the mass wrongs that are a feature of today's technological society.

The commission has conducted an extensive evaluation of the experience of jurisdictions in the United States and elsewhere with class action mechanisms. It believes class actions can lead to economies in judicial time, provide increased access to the courts and, on occasion, deter wrongful or illegal behaviour. The commission's key policy recommendation is that a new and expanded class action procedure should be introduced, designed to facilitate the bringing of class actions and to enable courts to weed out inappropriate class actions on a case-by-case basis.

To weed out such cases, the commission recommends that every class action should have to undergo an initial screening or "certification" hearing by a judge to determine whether it meets certain specified criteria. These criteria are drawn from the American class action legislation and focus on such things as the number of class actions, the existence of questions of fact or law that are common to the class and the adequacy of the plaintiff who acts as representative for the absent class members.

To limit the impact of class actions on the

court, the court would be authorized to refuse to certify class actions which met all other tests if it believed the adverse effect of proceedings upon the class, the court or the public at large would outweigh the benefits of the class action. This unique and important provision would enable the court to balance the impact of class litigation on the administration of justice in the province against the amount of relief likely to be secured by the action or the deterrent value of the action.

**2:10 p.m.**

The commission makes a number of recommendations to facilitate class actions where the claim is one for damages, which is an area where the present law is restrictive. The commission recommends that the court should be able to make aggregate awards of monetary relief in appropriate circumstances. In an appropriate case the total liability of the defendant class would be determined as a common question without resorting to individual proceedings.

Finally, the commission recommends major changes in the law of costs. The commission states that without reform of cost rules it is doubtful whether class actions will be used at all in Ontario. Thus, the commission recommends that a successful litigant in a class action normally should not be able to recover party and party costs from the unsuccessful adversary. This general rule is subject to three exceptions: at the certification hearing, if a judge believes that it would be unjust to deprive the successful party of costs; in the event of vexatious, frivolous or abusive conduct on the part of either party, and in the case of interlocutory proceedings.

The commission proposes that lawyers representing the class plaintiff should be permitted to enter into a type of court-approved fee arrangement. The lawyer would not recover in the event that the class action failed; if it succeeded he would be entitled to a fee determined by the court, with the court required to take into account what would be fair and reasonable compensation in the light of the risk assumed by the lawyer in undertaking litigation on the basis that he risked receiving no fee if the action had failed.

The report raises a very significant number of policy issues which will be of interest to members on all sides of this House. The commission's report represents a major contribution to the debate that is currently under way in legislatures round the world.

The government will be studying the report



with interest. This is a subject which I am sure will generate a great deal of public discussion. The government looks forward to receiving the views of members of the public, members of concerned organizations and members of this House upon the commission's most interesting, complex and thoughtful report.

#### LEGAL SERVICES FOR HANDICAPPED

**Hon. Mr. McMurtry:** Mr. Speaker, I have a second and briefer statement, which is important none the less.

I am pleased to be able to inform the House that Judge Rosalie Silberman Abella of the provincial court, family division, has agreed to conduct a study of the accessibility of legal services in Ontario for the handicapped.

During last year's International Year of Disabled Persons I was pleased to participate in the process by which the handicapped were given important new rights under our Human Rights Code. None the less, I remain concerned that the legal system in Ontario may still pose particular problems for those physically or mentally handicapped who seek access to legal services. I have, therefore, asked Judge Abella to undertake a comprehensive review of the difficulties experienced by the disabled in obtaining legal services, bearing in mind their particular needs and circumstances.

Judge Abella will be looking at the availability of legal services for the handicapped in Ontario, assessing the effectiveness and appropriateness of programs in Ontario and elsewhere designed to enhance the availability, and determining the special needs of the handicapped in respect of access to legal services. She will also consider the difficulties in obtaining access to legal information. Finally, she will be investigating problems which may prevent the handicapped from participating fully and effectively in the legal process.

Judge Abella's review will include access to the law, the advocacy needs of physically and mentally handicapped, interpreter services and the practical difficulties a lawyer faces in receiving and carrying out instructions from the handicapped client.

The government believes this is a very important topic which deserves serious study and investigation. I am confident that Judge Abella will provide us with a report that will command the attention and respect of all in this House. I anticipate that the report will be available by the spring of 1983.

#### FARM ADJUSTMENT ASSISTANCE PROGRAM

**Hon. Mr. Timbrell:** Mr. Speaker, I am pleased to report to the Legislature on the high level of success we have had to date with the Ontario farm adjustment assistance program.

As the honourable members will recall, this \$60-million financial assistance program was announced late last year and began operation early in January of this year. The flow of applications and approvals really started to build up in March, once the producers had their 1981 operating statements completed.

I am pleased to announce that more than 1,100 Ontario farmers are at this point being helped by OFAAP. This assistance is being provided by some 300 local branches of banks and other financial institutions in 49 counties throughout the province. To date, the program has deferred interest payments on loans totalling \$267,768, has authorized interest rebates on eligible lines of credit totalling \$226,291,384 and has guaranteed new lines of credit with a total of \$21,872,637.

It is clear that OFAAP has gained widespread acceptance in the farming community and is providing much-needed assistance to Ontario farmers. Because these difficult economic times demand that farmers take advantage of all programs available to them, OFAAP is flexible enough to complement other assistance programs. For example, 20 per cent of those receiving OFAAP assistance have also been approved for the federal government's small business bond program as part of their individual restructuring package.

Attached to this statement are several tables that outline the age, commodity group and other aspects of the farmers being assisted to this point by OFAAP. These tables show that the program is of particular help to young and beginning farmers. Almost half of those receiving assistance are under 35 years of age, while more than 80 per cent are under 45. These young farmers are not only benefiting from the financial assistance, they also reap long-term benefits from the intensive business and financial management counselling which is an integral part of the program.

The counties where the greatest activity under OFAAP has taken place are: Bruce, Grey, Huron, Middlesex, Elgin, Lambton, Kent, Wellington and Perth. In each of these counties, OFAAP is aiding from 45 to over 100 farmers. Although applicants may qualify with farm production value of only \$12,000, 85 per cent

have an annual farm production value of \$50,000 or more. Those assisted so far contribute more than \$190 million to the value of our province's agricultural production and come from all sectors of the farming community. Almost half of them are in cash or specialty crops and mixed farming.

My ministry currently has some 80 staff members assigned from other duties to work full time on all aspects of this program. As well, the provincial decision committee, composed of highly skilled people from the private sector, has played a constructive role in making OFAAP work. Without the full co-operation of the lending institutions, the program would not be possible. The real strength of the program, however, lies in the farmer, the banker and the representative of my ministry working together to fashion a counselling and direct aid program that is tailored to individual needs.

The Ontario farm adjustment assistance program is proving to be of immeasurable help to Ontario farmers during these economically difficult times. The program will be in full swing all year long. I want to assure members that we will continue to do everything we can to reach as many farmers as possible with assistance that is timely, fruitful and effective.

### ORAL QUESTIONS

**Mr. Peterson:** Mr. Speaker, I should say at the beginning I was somewhat confused with the order of business today because we missed prayers at 2 p.m. and I am sure the Premier (Mr. Davis) would be very upset if he heard we missed prayers.

**Hon. Mr. Eaton:** We had them at 10 this morning. You should have been here.

**Mr. Peterson:** Oh, if they were at 10 a.m. then I am sure the Premier was here. I know he would not want to miss them.

**Mr. Nixon:** He was not here then either.

**Mr. Breithaupt:** We can certainly run through them again.

**Hon. Mr. Davis:** We were praying for you last Thursday.

**Hon. F. S. Miller:** And it worked.

### TAX ON MEALS

**Mr. Peterson:** Mr. Speaker, I have a question for the Treasurer. I am sure the Treasurer is aware of section 38—

**Mr. Speaker:** Order. I ask for the co-operation of all members in limiting their private conver-

sations so we can not only hear the question, but the answer as well.

**Mr. Peterson:** Excellent point, Mr. Speaker. I have a question for the Treasurer. The Treasurer is no doubt aware of section 38 of the Retail Sales Tax Act, which says: "No vendor shall hold out or state to the public or to any purchaser directly or indirectly that the tax or any part thereof imposed by this act will be assumed or absorbed by such vendor."

I am sure he is also aware that some restaurants are at this point absorbing the tax for some senior citizens. They are not collecting the tax but are absorbing it, clearly in violation of section 38 of the Retail Sales Tax Act. Is it the minister's intention to send in the gendarmes to arrest these people? What is he going to do about it?

**2:20 p.m.**

**Hon. F. S. Miller:** Monsieur le président, voyant qu'aujourd'hui c'est le 24 juin je crois que je dois répondre à votre première question en français. Non.

**Mr. Peterson:** The minister is obviously happy with the number of people violating the silly laws he has brought into effect.

Is he aware of the situation of a restaurant chain such as Pizza Pizza, which delivers a pizza and is obliged to charge tax on both the pizza and the delivery charge? It has run into a number of people who have refused to pay the tax. At that point, the delivery boy for the pizza company is left with a choice: he can take the pizza and eat it back at the restaurant; by not collecting the tax, the tax can be absorbed through the company; or perhaps he could take it home and use it as a frisbee.

The point is, these people are absorbing some of these taxes and they are in violation of the law. What is the minister going to do about it?

**Hon. F. S. Miller:** I think English might be better this time.

Apart from the member's attempt to discuss pizzas as frisbees, I point out that in the definition of the applicability of tax to food in restaurants the Ministry of Revenue, and the minister can define this section, stated the price is allowed to include tax. In that case, the tax is to be stated in the price or on the menu of the place. It is possible, therefore, for a restaurant to have the tax in any price it posts in the restaurant.

As to whether one can have a variable policy, I cannot answer, but I can suggest that, in the spirit of collecting tax and recognizing that in



the first few days of applicability no tax is popular, we are not about to try to drag people in during this period and make examples of them. We would rather have them work with us until the tax has become an accepted part of the scene.

**Mr. Breagh:** Mr. Speaker, the Treasurer is aware there are individuals and stores that are clearly refusing to collect the retail sales tax. Is it his legal opinion—and I am aware he has one—that they have as of now a legal right to refuse to collect that sales tax and that the consumer has a legal right to refuse to pay that sales tax?

**Hon. F. S. Miller:** Mr. Speaker, the answer is no. The sections of the act that define collection state that if anyone refuses to collect in a knowing way a tax that is applicable, there are fines and penalties for that collector. He remains not only responsible for the tax he should have collected, but for penalties up to 25 per cent of the value of the tax collected.

**Mr. Peterson:** The suggestion to this House is the minister's tax should be hidden so nobody understands he is paying it and presumably that will take—

**Hon. F. S. Miller:** That's illegal.

**Mr. Peterson:** Of course that is what he is suggesting. It will take some political heat off him; that is what he is suggesting.

Conversely, he is suggesting at the same time that he does not mind violations of the law. His laws are silly and nobody understands them. He is prepared to put up with violations, inviting wholesale violation of the law. He should speak to the Attorney General (Mr. McMurtry) about the erosion of the moral fabric of this country with silly laws like that.

We phoned the retail sales tax branch at 12:01 p.m. yesterday to ask about some regulations. As he knows, a lot of people phone between 12 o'clock and two o'clock, which is the busy lunch-time period in restaurants. They want to know how to sort out some of the complicated tax measures. We were told by the person there to phone back after three o'clock because everyone was out to lunch.

Would the minister not at least suggest that, given all this confusion and given the fact this bill is going to committee, he should have a moratorium for some reasonable period of time until the law has been struck, until the regulations are in place and until it gets through the committee? Can he not at least do that to prevent a whole country from breaking laws and

becoming potential criminals, which is what the government is making them do?

**Hon. F. S. Miller:** I know the Leader of the Opposition aspires to the position of my Premier (Mr. Davis) some day. I am sure he will inherit, if he ever does get to that exalted position, many loyal employees of this government who have absolutely no political bias at all. I do not think the member does a service to imply that they have lunches that last from 12 to three o'clock. I want to tell the member most of the executives of that group were in my ministry all day yesterday.

**Mr. Peterson:** On a point of privilege, Mr. Speaker: The minister is entitled to make any speech he wants to. I quoted an employee of the ministry who said, "Phone back after three, everyone is out to lunch." Those were not my words, those were her words. Perhaps she meant the Treasurer only, I do not know.

Interjections.

**Mr. Speaker:** Order.

**Mr. Peterson:** We would like the answer to the last question. I just want to protect the scraps of integrity that are left to the man by not allowing him to misquote me. Would the minister like to answer?

**Mr. Speaker:** No. A new question, please.

#### HYDRO RATES

**Mr. Peterson:** Mr. Speaker, I have a question for the Minister of Energy. The minister is aware that his ministry put out a booklet called the Homeowner's Off-Oil Heating Conversion Decision, which analysed the various costs and benefits of off-oil programs and suggested that people should be looking at electricity, obviously.

He would be aware that in the booklet it is suggested that electricity prices would increase over the next three years by 13.9 per cent in 1983, 9.7 per cent in 1984 and 11 per cent in 1985. At the same time, Ontario Hydro applied to the Ontario Energy Board in February for increases of 13.9 per cent for 1983, 16.4 per cent in 1984 and 16.2 per cent in 1985. Why is the minister allowing Ontario Hydro to lie to people about the cost of electrical energy?

**Hon. Mr. Welch:** Mr. Speaker, there is a bit of an unfortunate twist to that question. Perhaps the record should be quite clear here that the first figure used, 13.9 per cent, happens to be the average increase which has been asked by Hydro for 1983. That matter is before the

Ontario Energy Board and is being reviewed at public hearings.

There is no application from Hydro for any other year before that board. I think the facts are very important. The only application by Hydro now is for 1983.

**Mr. Peterson:** Clearly they had to provide the information. The minister was aware of the difference between what Hydro wants and what he was suggesting to people who are potential converters. Does that not lead him to some concern, particularly when the former Treasurer, a man known for his integrity in this House and who is now president of Union Gas, has said that the electrical industry misled consumers into switching into uneconomical electric heating?

The minister is familiar with his quotation. Would he not agree that the former Treasurer, a man renowned in this House and in this province, was very correct in his assertion?

**Hon. Mr. Welch:** I think the former Treasurer of this province and the former Minister of Energy is a man of integrity and was an outstanding public servant during his time. I want the member to understand that if he were to read that particular speech to which he has made reference he would see it had nothing to do with the pamphlet or booklet in question. The comments and observations were about a trade association and its promotional campaign. He is entitled to have an opinion. This is a democracy, this is a free country.

All I am pointing out to the Leader of the Opposition is that to stand in this place and try to point out some contradiction between the application of Ontario Hydro and that book is a bit irresponsible.

I want to suggest to the member, under the circumstances, that it is a good publication that is being sought after by many people. It is very objective and it tries to be helpful to people wanting to make some decision in getting off oil, and getting off oil is part of the energy policy of this province and this country.

**Mr. Foulds:** Will the minister not agree, however, that although there is only one application by Ontario Hydro before the Ontario Energy Board, in the testimony justifying that application, Hydro indicated the rates it would seek in future, to take into account its necessary revenues, amounted to 54 per cent?

Given that, does the minister not think the publication referred to in the previous question is somewhat misleading? It encourages people to use electricity, whereas the figures the gov-

ernment put into that publication do not take into account Hydro's latest figures and the amounts that will be bumped up as the costs of the new nuclear stations are built into the rate increase.

2:30 p.m.

**Hon. Mr. Welch:** Mr. Speaker, in all fairness to the public utility, they were asked as part of the information for this current application to make some estimates. If the member can tell Hydro what the interest rates and the rate of inflation will be in 1984 and 1985, and be specific with respect to a number of other very important matters, perhaps they could change them from estimates and be a little more firm.

At the moment, having had this information requested of them, they have done the best they could with estimates. I think it should be said once more there are no formal applications before the Ontario Energy Board for 1984 and 1985 rates. We are dealing only with 1983.

**Mr. J. A. Reed:** Mr. Speaker, is the minister not contributing to the decline in the credibility of Ontario Hydro? We look back at the history and see that advertising was taken off television because it was called misleading and it was accepted by officials in his ministry as being misleading. Now they have a publication that does the same thing. It is misleading. Is this not destroying the credibility of Ontario Hydro?

**Hon. Mr. Welch:** I do not think it is misleading.

I do not think the honourable member has taken the time to read the material to which the Leader of the Opposition made reference. Members will understand that the energy policy of this province is to support the Canadian objective of crude oil self-sufficiency by the end of this decade. Part of that program is a very aggressive off-oil program. People who are using oil for home heating are invited to consider the options—natural gas, electricity, wood or combinations of same.

The consumer is entitled to have some information upon which he can make a balanced and objective judgement. That is what we are trying to do to be helpful. Electricity is certainly a very viable option in that choice.

#### TAX RELIEF FOR SENIOR CITIZENS

**Mr. Foulds:** Mr. Speaker, I have a question for the Treasurer. Since it is Senior Citizens' Week and the Treasurer was strangely silent in his budget about relief for senior citizens during the economic crunch, why did his government



not take steps to eliminate the \$13.80 per diem on chronic care beds for seniors?

**Hon. F. S. Miller:** Mr. Speaker, if one looks at the record of Ontario in its treatment of senior citizens and the support the senior citizens give this government, one will find they have indicated a high level of program support for them in Ontario. Most senior citizens, particularly those who move here from other provinces, are very impressed with the payment of their property taxes, the payment of their sales taxes and the programs of assistance such as the guaranteed annual income supplement.

They are able to differentiate between costs of living in society in their own homes and costs of living in a hospital bed where they are not only getting all that support but the total support within the system. Therefore the treatment of a person in a chronic hospital bed was identical to the treatment of a person in a nursing home. We charged just for their basic support.

**Mr. Foulds:** Can the Treasurer tell me how in this still very rich province he can justify what in effect is taking away the Gains from a hospitalized spouse by charging copayment fees when the active spouse goes on pension? How does he justify that?

Is he prepared to say the willingness of this government to tax the elderly and the poor knows no limits and that in this kind of economic crisis he is unwilling specifically to remedy this situation with regard to chronically ill senior citizens? If he is not willing to abolish the fee, will he at least stop raising the chronic care fees every time their old age pensions go up? Is it not about time he stopped being the grinch who steals senior citizens' pensions?

**Hon. F. S. Miller:** Not at all. I am sure anyone who has been within the hospital system and who has visited people who are chronically ill realizes that prior to our doing this, sometimes the only visit they got each month from the family was when they came in to collect the old age security cheque at the end of the month. That was a fact. The OAS cheque was meant at that time to support them outside of the hospital system in society, and all we did was charge them the cost they could have been expected to pay had they stayed at home. We pay very high costs per diem on the medical side. We charge the same costs on the accommodation side as if they were in a home for the aged or a nursing home.

**Mr. Roy:** Merci, Monsieur le président. J'ai pensé d'adresser une question en français au trésorier qui tout à l'heure vantait le traitement de la province envers les personnes d'âge d'or, nos citoyens aînés ici. Je veux lui demander, à part du fait de la question qui a été demandée par mon collègue du NPD à propos du traitement des chroniques, est-ce que vous pensez que c'est une bonne façon de traiter les personnes d'âge d'or en imposant une taxe de sept pour cent sur les repas qu'ils vont avoir ces gens-là, souvent qui n'avaient pas les moyens d'aller dans les gros restaurants, souvent avaient des repas en bas de \$6. Maintenant vous imposez une taxe de six pour cent sur les repas; vous croyez que c'est une bonne façon de traiter nos personnes d'âge d'or ici dans la province.

**Hon. F. S. Miller:** Je crois, Monsieur le président, que ce n'est pas vraiment une question qui suit l'autre.

**Mr. Breithaupt:** C'est une bonne question.

**Hon. F. S. Miller:** Pas du tout, pas du tout. N'est-ce pas?

Interjections.

**Hon. Mr. Miller:** Ce n'est pas supplémentaire, vraiment. Mais Monsieur le président je crois que toutes les taxes que nous avons imposées sont très justes.

**Mr. R. F. Johnston:** I will ask a question on which you can rule whether or not it is supplementary, Mr. Speaker.

**Mr. Wrye:** Maybe not next year.

**Mr. R. F. Johnston:** Maybe not next year. We will see.

**Mr. Roy:** Mr. Speaker, on a point of privilege: Whether it was a supplementary or not really is not that relevant. His defence of the budget in French is no more effective than in English.

**Mr. Speaker:** Order.

**Mr. R. F. Johnston:** I am sure that is absolutely true.

The Treasurer's present system of chronic care payments goes as follows: A spouse who is a chronic care patient and is 64 years of age or younger has an exemption of \$15,000 in income before having to pay anything towards the cost of that chronic care. But the over-65 spouse of a chronic care patient, the two together earning the \$12,042 that would be available as senior citizens, would lose \$5,028 a year. He or she would have to pay that back to the Treasurer and the government for the care of the spouse.

Does the Treasurer not think that is grossly unfair? Does he not recognize there has not

been one successful appeal to the Social Assistance Review Board for cases of hardship in this province since he brought in this chronic care copayment? At the same time he has not increased the comfort allowance since 1980 for those patients.

**Mr. Ruston:** Question.

**Mr. R. F. Johnston:** The member for Essex North should know my question from the beginning was whether or not the Treasurer thinks that is grossly unfair.

**Mr. Ruston:** Thank you.

**Hon. F. S. Miller:** No, I do not, Mr. Speaker.

#### ASSISTANCE TO HOME OWNERS

**Mr. Foulds:** Mr. Speaker, I have a new question for the Treasurer. On Tuesday I brought to his attention the fact that 40,000 families in Ontario are playing mortgage-renewal roulette because they are in danger of losing their homes. This is because mortgage renewals this year will be in excess of 30 per cent of their income.

Does the Treasurer feel absolutely no responsibility for a couple like Mr. and Mrs. Gagnon of 9 Broadway Avenue in Welland? They have been notified by Guaranty Trust that even though they are not in arrears and Mr. Gagnon has a steady job, they have to pay their mortgage in full by July 4, 1982, or face legal action. Does he realize that this family, with a steady income but with a \$28,500 mortgage, simply cannot get it renewed? Does he not feel the Ontario government has a responsibility to help such a couple?

**Hon. F. S. Miller:** Mr. Speaker, I would suggest the Minister of Municipal Affairs and Housing (Mr. Bennett) or the Minister of Consumer and Commercial Relations (Mr. Elgie) should have the case put before him. The one thing I have learned in this world is that very often there are circumstances relating to a specific case that are not necessarily brought to the House by the person posing the question. I assume that if these people have a normal credit rating and a good credit history, there would not be too much difficulty in placing a mortgage for that amount.

2:40 p.m.

**Mr. Foulds:** Mr. Speaker, does the Treasurer not realize that with this gentleman's income, which is in the \$18,000-a-year range, and with the mortgage rate increase at 20 per cent, the proportion of his income going towards retiring

the mortgage climbs from 21 per cent to 32 per cent?

The Treasurer and his government have obviously failed to monitor the federal government's mortgage renewal program. No one, including Canada Mortgage and Housing Corp., told these people it was possible to get that. We still do not know if it is. With the federal government failing to take responsibility, does the Treasurer not feel he has a responsibility to bring in a supplementary program that will assist people like the Gagnons? They have a steady job and a steady income and simply wish to keep their home.

**Hon. F. S. Miller:** I would think the member for Welland-Thorold (Mr. Swart) would have given them some advice or even assistance in making out the forms. If the facts are as given to me, whether they have equity in their home or not, they should be eligible for the assistance of the federal program.

**Mr. Sargent:** Mr. Speaker, Saskatchewan has put into effect a plan across the board for everyone with mortgages above 13 per cent, for amounts between 13 and 20 per cent. They will be taken care of by the government of Saskatchewan. There is a \$53-million fund. Why could the government not be short \$50 million in its next payment to Suncor and do something for the mortgaged people of Ontario?

**Hon. F. S. Miller:** If my friend checked the number and value of the mortgages in Ontario, and the cost of subsidy for each interest rate point, he would discover that \$50 million would not go very far.

**Mr. Swart:** Mr. Speaker, judging from what the Treasurer said, he must be out of touch with the realities of trying to renew mortgages. He ought to be aware that many mortgage companies have set up arbitrary eligibility procedures—such as payments not over 30 per cent of income, job security, family status—so that thousands of people in the province will be unable to obtain new mortgages or renew their old ones. They are losing or will lose their homes, even though they are willing to scrimp to meet payments to save them.

The government has not done a single, solitary thing on behalf of those who have mortgages, to subsidize or in any way protect them against foreclosure. They have intimated they are not going to do it now. Will the government set up a mortgage guarantee program and fund to apply to mortgages for a wide range of people who may not technically qualify, but who have



the desire and there is some reason to believe may be able to meet the increased payments that will be required?

**Hon. F. S. Miller:** My colleague seems to believe that somehow we can create money out of nowhere. There are all kinds of people today suffering from high interest rates. The fact remains there is not enough money in society to subsidize everyone we would like to. The answer, whether my friend likes it or not, is a lower interest rate in general. That depends very much on what our friends in the federal government do on Monday night.

### DIOXIN IN HUMAN TISSUE

**Mr. Kerrio:** Mr. Speaker, I have a question for the Minister of the Environment. The news today must have affected him as it has the parties on this side. We have learned that, for the first time ever in North America, the 2,3,7,8-TCDD form of dioxin has been detected in a human tissue sample obtained from a Kingston hospital.

Can the minister advise us how the dioxin could have entered the body, other than through the consumption of Lake Ontario fish that were contaminated by dioxin leaking from a number of chemical dumps along the US side of the Niagara River? Is he now prepared to take my advice and see if we cannot convince our American friends that we should be monitoring all those dump sites to be sure dioxin is not leaking into the Niagara River?

**Hon. Mr. Norton:** Mr. Speaker, I would answer the latter part of the member's question first. He knows, and I have indicated in the House, that we are convinced dioxin is reaching the Niagara River from the American side. We have indicated one of the most likely sources and there may well be others.

In response to the first part of the question, I just recently became aware of that information. The information to which he refers is a result of work done by the Department of National Health and Welfare. The indications were that in one out of eight tissue samples used, a very low level of dioxin was detected. It is apparently the first time that has been found in human tissue in Canada.

I am not sure whether that is accurate with respect to all of North America. I understand research in the United States has indicated there are some residual levels being detected in some human tissue.

Where does it come from? I do not know the answer to that, nor does National Health and

Welfare at the moment. Little is known by me at this point. We will be requesting a meeting with National Health and Welfare staff to get as much information as they are able to provide. We do know the tissue sample in which the trace of dioxin was found was from an 80-year-old individual who had died from other causes not related to the presence of dioxin in the tissue.

The information we do not have, and I doubt they have it at this point, is what eating habits the individual had and what possible sources might have existed within the food chain from which he might have had access to this.

There is something else which cannot be ruled out, given the timing when this tissue was provided to National Health and Welfare. The member should bear in mind that until 1979 there were certain pesticides and herbicides on the market which contained traces of dioxin. It was my predecessor who banned the last of those in an announcement in this Legislature.

It is altogether possible that the individual, through domestic use of a pesticide or herbicide, might have been exposed to it in that way. There is nothing to indicate at this point it likely came through Lake Ontario. There is no clear answer at this point.

Something else we have to bear in mind, and there is no clear answer to it at this point, is that prior to the mid or late 1970s—

**Mr. Di Santo:** Speech, speech.

**Hon. Mr. Norton:** It is an important question. If the member is not interested in a full answer he should just tune out for a moment.

**Mr. R. F. Johnston:** There should have been a statement.

**Mr. Mackenzie:** You are getting to be the longest in the House.

**Mr. Speaker:** Order.

**Hon. Mr. Norton:** Tests done on samples preserved from an earlier time indicate that prior to the discovery of dioxin in some fish in Lake Ontario, the levels of dioxin in fish appear to have been higher earlier than they are at present.

If the dioxin came from that source—given the age of the individual and if he had access to or relied upon something from the food chain within his diet—it is possible he might have got it at a time when levels were higher. I simply do not know the answer to that. I may have more information following our meeting with National Health and Welfare.

2:50 p.m.

**Mr. Kerrio:** I concur with the minister that the findings have been minuscule. However, considering that dioxin is so powerful that experts say one ounce in Metro's water supply would be enough to kill the entire population of Metro, does that not indicate to what extent we have to be concerned about it? The International Joint Commission warned two years ago that dioxin should be absent from our environment for the protection of all life forms.

Given the ministry's lack of intervention in hearings regarding the cleanup of Hooker Chemical's Hyde Park dump, which is known to contain 2,000 pounds of dioxin, what steps will the ministry take in the future to ensure that dioxin is absent from the environment? Would the minister not agree we have a real cause for concern if we find dioxin in the fish?

There are those who would protect some chemical companies by saying there is no need to worry, because the human element is not in danger. How can we accept that kind of assessment when we have experts telling us the parts per trillion in one of the greatest sources of fresh water in all the world are dangerous to all of us?

**Hon. Mr. Norton:** I concur with the comments the member made in the early part of his question that we must strive to eliminate dioxin from our environment.

I want to emphasize, in case someone gets the wrong impression, that at no time has dioxin been found present in the water and I think there is a logical explanation for that. It is not, I think, that it is below detectable levels, necessarily, but because dioxin has a very short half-life when exposed to light or to the sun. It would appear likely that it is getting into the fish through the food chain: through the sediment but not through the water. I think that is important because I do not want people unnecessarily becoming concerned that the water they are drinking contains dioxin at undetectable levels.

With respect to our efforts, I think I can say with some confidence that any known sources in Ontario have been eliminated through, in some instances, the banning of certain products from the market. I do not believe there are any landfill sites or storage sites with concentrations in Ontario.

We are aware of the situation in New York state. We have been communicating with the officials in New York state constantly. We have filed an intervention in the case with regard to the Niagara Falls, New York, waste water treatment plant. We have indicated we are and

will be reviewing, and will intervene in, if necessary, every state pollution discharge elimination system permit as it comes up for review.

I think it is important that in New York state we in Ontario are given a considerable amount of credit for the pressure we have brought to bear on the national government in the United States for some of the funding New York state is now getting to engage in cleanup. We are not going to relax our efforts. In a recent discussion I had with the Honourable Robert Flacke, who is the commissioner of environmental conservation in New York, he pledged his full co-operation—and I have done so in return—in an effort to do anything we can to speed up the cleanup.

#### VISITORS

**Mr. Speaker:** May I have the permission of the House to interrupt question period? Thank you.

I would ask all members of the Legislature to join with me in welcoming guests in the Speaker's gallery from the Bundesrat in West Germany who are visiting Canada. I would like to introduce them individually, if I may.

The delegation is led by Johann-Wilhelm Gaddum, Minister for Intergovernmental Affairs, representing Rhineland-Pfalz; Dr. Gunther Czichon, Senator for Intergovernmental Affairs, Bremen; Professor Dr. Franz Becker, Minister for Justice and Intergovernmental Affairs, Saar; Dr. Gebhard Ziller, Director of the Bundesrat; Albrecht Hassmann, Deputy Director of Protocol.

#### EMPLOYEE HEALTH AND SAFETY

**Mr. Martel:** Mr. Speaker, I have a question for the Minister of Labour regarding Irwin Toy and the use of methyl ethyl ketone. The minister will recall I asked in April that he send his inspectors to this plant. As a result of that inspection, 22 orders were issued concerning such minor things as the use of appropriate footwear, protective clothing, proper storage of this substance, the elimination of floor hazards and so on.

Is the minister aware of a letter submitted to the employees by the company, which makes the following two statements: "You will receive all necessary equipment for work you do, such as smocks, gloves, including the vest." By the way, the rubber gloves were forced on them by the ministry. The second statement is, "Your active health and safety committee has the full



support of Arnold Irwin and all of the managers." Was that not nice to learn?

This letter also goes on: "Government inspections highlight the examples of safety standards better than required by law." Is it true the Ministry of Labour has stated that the standards at Irwin Toy are better than those required by law, in view of the 22 orders issued by the ministry?

**Hon. Mr. Ramsay:** Mr. Speaker, I did not exactly catch the last part of the honourable member's comments. Perhaps I might ask him a question. Was the member suggesting that one of our inspectors had given that—

**Mr. Martel:** No, I am asking.

**Hon. Mr. Ramsay:** The member is asking me—

**Mr. Martel:** Did the minister's inspectors do that?

**Hon. Mr. Ramsay:** To the best of my knowledge, they did not.

**Mr. Martel:** "Your . . . safety committee has the full support of Arnold Irwin . . ." Is the minister aware we asked for a second inspection and that the health and safety committee in place was appointed by the company? The workers had no say as to who their representatives would be. The company did not advise the workers who their health and safety representatives were. These are both clear violations of the act.

Is it not about time the minister started to lay charges? The act came in four years ago and here we have a company that does not even allow its health and safety committee to be chosen as is required under the act.

**Hon. Mr. Ramsay:** Not only have we sent inspectors in to that operation on several occasions but we also sent in a special adviser to try to bring the company and the workers together in the interest of proper occupational health and safety. I think we have come a long way in that respect with that company.

I am not aware of the allegations the honourable member has brought forward today. I will certainly be fully prepared to look into them again.

#### ASSISTANCE TO FARMERS

**Mr. Hodgson:** Mr. Speaker, I have a question for the Minister of Agriculture and Food in connection with the Holland Marsh. On Tuesday afternoon a severe rainstorm and hailstorm hit that area. In several areas their crops of head lettuce, onions and carrots were wiped out

completely. What plans does the minister have to help those farmers whose crops have been entirely wiped out?

**Hon. Mr. Timbrell:** Mr. Speaker, at this time we do not have final reports from the ministry's crop specialists and those responsible for the crop insurance program, who have been investigating that site and a couple of others around the province. A similar, if not the same, storm also dropped on a couple of other parts of the province, as the member for Brant-Oxford-Norfolk (Mr. Nixon) and others might know.

Once we know the extent of the damage, and how much of it is irreparable, then we will know the extent to which we can assist through the crop insurance program.

#### 3 p.m.

Last night, there was a meeting, to which I sent several representatives of the Ministry of Agriculture and Food, involving the growers on the Bradford marsh. I will be meeting with a delegation from that organization today to get its firsthand accounts as well. But essentially, at this point I have asked for, and will have within a few days, accurate and complete reports on the extent of the damage, especially irreparable damage, which I take it is the member's concern, and ours too.

**Mr. Nixon:** Mr. Speaker, would the minister consider a designation of the area that has been devastated by hail as a disaster area under the program that is usually administered by his colleague the Minister of Intergovernmental Affairs (Mr. Wells)? This would make it possible, even though insurance is available to the farmers, that since there was such widespread devastation of the crops, there could be the provision of some assistance.

**Hon. Mr. Timbrell:** Mr. Speaker, it is premature to say one way or the other. I know that inspections in the last 24 to 48 hours made by representatives of the tobacco marketing board indicated that the extent of the damage was nowhere near as great as indicated in some of the media. I would rather wait until I have definite reports before deciding on an absolute course of action.

#### NIAGARA NURSES' DISPUTE

**Mr. Bradley:** Mr. Speaker, I have a question for the Minister of Labour. The strike by public health nurses in Niagara is approaching two months in length and elderly, handicapped and often low-income people have been deprived of essential services provided by this dedicated

group of individuals, who are certainly not very happy about having to withdraw their services. Would the minister be prepared to have his officials recommend arbitration as a method of solving this dispute? The nurses have requested arbitration and this request has been endorsed by the council of the regional municipality of Niagara.

**Hon. Mr. Ramsay:** Mr. Speaker, the honourable member has been in touch with me on several occasions about this problem, as have two of my colleagues on this side of the House, the member for Brock (Mr. Welch) and the member for Lincoln, the Honourable Mr. Andrewes—I am sorry, Mr. Andrewes.

**Mr. Wrye:** Not yet.

**Mr. Breithaupt:** Doesn't it have a nice ring to it, though?

**Mr. Speaker:** Order.

**Hon. Mr. Ramsay:** He is quite honourable, in my opinion at least. They have expressed similar concerns to the ones the member is expressing today.

Also, I have a little bit of background in this particular area in that I was a member of the health unit in Sault Ste. Marie and district for some time. So I am very aware of the important role the public health nurses play, particularly as medicine is practised today with the heavy emphasis on prevention. The officers of my ministry have been attempting mediation for some time now. The parties seem to be pretty well entrenched in their positions and they are a fair distance apart. It is my understanding that in 1976, the Ontario public health nurses were judged to be nonessential; therefore, compulsory arbitration does not apply in their particular case.

**Mr. Bradley:** Would the minister not agree with me that the negotiating process is not assisted by comments such as those from the chairman of the Niagara Regional Area Health Unit, Mr. Bob Arkell? He is quoted as saying about the people who normally get those services: "If they were really suffering there would be a lot more flak at myself, my community, the board and the Niagara regional council. I do not think other members in council are getting any flak, except from people with a special interest, like strikers." He also said, "People who need nursing service can go to the hospital, the Victorian Order of Nurses or another private nursing service, which they could pay for with welfare money."

Does the minister feel that comments of this

kind from one of the principal players in this game, namely the chairman of the Niagara Regional Area Health Unit, assist the negotiating process? Would he undertake to get the assistance of the Minister of Health (Mr. Grossman) to provide information to the chairman of the Niagara regional health unit on the essential service that is normally provided by public health nurses in Niagara and across the province?

**Hon. Mr. Ramsay:** I think I partially responded to that question in my initial comments when I pointed out that I fully recognize the value of the public health nurses, and I have no hesitation in saying that whatsoever.

Incidentally, this morning my parliamentary assistant, the member for Sarnia (Mr. Brandt)—and he is also very honourable in my opinion as well—met with the delegation of nurses from the Niagara region. I have had a chance to talk to him only very briefly, but later today he is planning to brief me completely on his conversation with them. He did indicate that they were very reasonable in their approach, which is what we fully expected them to be.

In response to the last portion of the honourable member's question, I will certainly be happy to enter into discussions with the Minister of Health.

**Mr. Swart:** Mr. Speaker, I would like to ask the minister, in view of the deplorable leadership he is being given by the chairman of the health unit, who says that people can use their welfare cheques to get nursing service and that there are no poor in the community, does he not think it is very unlikely this health unit will be willing to settle in the near future?

In view of the fact that they are among the lowest-paid health nurses in Ontario, if not the lowest-paid, and that the turnover of nurses in that unit is now 50 per cent a year, at least partly because of those low wages, would the minister not think that those things should combine to force a sensitive government, a sensitive minister such as he is, and the Minister of Health, to intervene and commit themselves to paying the normal 75 per cent of a fair settlement? At least that would be a settlement equal to those of health nurses in other parts of this province.

And does the minister not think he should tell the health unit that the minister and the government do not share its lack of concern about the fact that there is no public health service now in the Niagara region?

**Hon. Mr. Ramsay:** Mr. Speaker, I do not



think I can add anything to what I have said in response to the two previous questions. It is a very serious matter, and we are trying to work it out through the normal mediation services.

I am hearing for the first time the comments that the honourable member has attributed to the chairman, although I must admit I did read one newspaper clipping that was sent to me by the nurses a week or so ago, which quoted some of the things the member has said today.

### NATIVE RIGHTS

**Mr. Renwick:** Mr. Speaker, my question is for the Premier. What plans are under way for the conference of first ministers which, under the Constitution, is required to be held before April 17, 1983? And what is the agenda of matters respecting the constitutional rights of the aboriginal peoples that is being developed?

**Hon. Mr. Davis:** Mr. Premier—Mr. Speaker, rather—I—

Interjections.

**Hon. Mr. Davis:** Well, he would be very good. He would be an improvement over most of the members over there. I was trying to listen to two conversations at once.

No date has been set. My understanding is that representatives of the native peoples have been meeting with some officials or ministers of the government of Canada. I met with a group of native leaders two or three weeks ago. As part of the discussion, they were suggesting to us that they were communicating to the government of Canada their interest in putting their position, not without the participation of the provinces but perhaps seeking to identify some more formal role.

I just made it clear to the native leaders that our position on it was very simple: We are committed within the terms of the Constitution; second, it would be our intent, speaking personally for Ontario, to involve the native leaders within Ontario in any discussions, not necessarily before the formalization of the agenda but before any documentation or any material representing Ontario's point of view was presented to any federal-provincial first ministers' meeting.

**3:10 p.m.**

I cannot tell the member now, but perhaps next week I will have an opportunity to see just what the possible timing may be. In my own view, the earliest now would be some time in the fall, perhaps the late fall. If I do get some

information I shall inform the member the moment I have it.

**Mr. Renwick:** I hope that before this House recesses for the summer the Premier will make some definitive statement about it.

Specifically, who are the representatives of the aboriginal peoples in Ontario whom he will consider suggesting to the Prime Minister of Canada should be invited to participate in that conference? What specifically is the agenda of constitutional matters affecting the government of Ontario that will be put on the table at that conference for consideration?

**Hon. Mr. Davis:** I cannot answer the latter part of the question at this point. In terms of the first part of the question, I can give to the member for Riverdale the names of the native leaders who have been in discussion with us. They change, because they are, in many cases, chiefs of the local bands and they go through an election process, so there is some change in the makeup of that group. I will certainly get him the list of names of those who were at our most recent meeting.

**Mr. Nixon:** Mr. Speaker, would the Premier not accept the contention that all members of the Legislature have some responsibility to support and assist him in establishing the position of Ontario with regard to native rights when he goes to the first ministers' conference?

Would he not think it appropriate there should be some forum in which the members of the Legislature—if not all of them, at least a significant number of them, particularly those representing the Indian communities—would have an opportunity to sit down in a committee room here or perhaps travel to some of the Indian councils and get the views of the Indians directly before Ontario takes a position at the first ministers' conference?

Would he not think we have some responsibility to support him in the undertaking he took, in signing the constitutional agreement, that we are going to move on broadening and establishing native rights without delay?

**Hon. Mr. Davis:** Mr. Speaker, as has been the case over the years, judgements were obviously made at meetings of first ministers where the first ministers there had to make decisions, sometimes overnight, sometimes over breakfast or who knows when or where. I think it is fair to state that by and large there was a fairly general understanding of the position being presented by Ontario at the constitutional meetings.

I would have no objection, but I do not know

whether a committee is the right forum. I do not know whether it need be that formal, but if the member is saying he would like to express some points of view or make a contribution in terms of a position that Ontario would be presenting, I would have no objection to that whatsoever.

As we go down the road a bit, perhaps we can develop some forum where we can do this. Certainly, we can have a discussion here in the House. I think all the members are interested but some have a more particular interest because, quite obviously, they represent some of the native people and probably have something more to contribute in terms of knowledge of the local situation.

I am not saying to the member there should be a committee travelling, etc., but in terms of some involvement as the position is developed, not only do I not have any objection but I would be delighted to have any constructive contributions.

#### SKF CANADA LTD.

**Mr. Wrye:** Mr. Speaker, I have a question for the Minister of Labour regarding the York University research study by Paul Grayson on the shutdown of SKF Canada in Scarborough. As the minister knows, the study paper was delivered earlier this month. Since the matter was raised earlier with the Premier (Mr. Davis), I am sure the minister is by now fully familiar with the contents of the study.

Let me remind the minister by reading the last paragraph from the conclusion of that study by Mr. Grayson and others: "By all accounts, the product and labour force at SKF were superior. By some accounts, the market, particularly for aircraft bearings, was certainly large enough. These factors notwithstanding, in view of SKF's worldwide rationalization plan, and in the absence of effective regulatory legislation, SKF Canada Ltd. closed the doors to its manufacturing operation. The consequence will be hardship for Canadian workers who lost their jobs, the export of at least a fraction of these jobs to somewhere else in the SKF empire, and increased profits for SKF."

Add to that the fact that in March of this year the legislative library research staff published a paper on foreign ownership and employment in Ontario in which they conclude, "Provinces must assume some responsibility for the economic activities and thus the effects of foreign subsidiaries operating within their borders."

Will the minister tell us now if he is prepared to act on these conclusions by introducing some

kind of performance requirements, or legislation that limits the circumstances in which a plant can close? Is the minister prepared to take action in that area?

**Hon. Mr. Ramsay:** Mr. Speaker, the short answer is no.

**Mr. Wrye:** The minister was a member of the select committee on plant shutdowns and employee adjustment. Now he is the Minister of Labour. Given the fact that studies such as this are drawing very startling conclusions, startling certainly to the minister, does he intend to recommend to the Premier that a select committee be reconstituted to conclude the work—

**Mr. Martel:** That is what I asked yesterday.

**Mr. Wrye:** I hear my friend the member for Sudbury East saying that he has asked that before, and I wish to join him. Does the minister intend to reconstitute that committee? Will he at least, as was suggested on the weekend by my leader, introduce legislation to further protect the workers by amending the Employment Standards Act and by granting wage protection in situations of bankruptcies or insolvencies?

**Hon. Mr. Ramsay:** The member is correct; I was a member of that select committee. As I said in this House not too long ago, having been a member of that committee, while that committee was worth while, I cannot see it coming into effect again and bringing anything new to us. It was a very complete report; it was a very complete hearing. I do not have to have another committee to convince me of the problems we have in the work place today. Therefore, I cannot see any useful purpose for putting that committee back into operation at this time.

As for the second part of the question on changes to the Employment Standards Act, we are constantly looking at changes in that respect, particularly in the case of protection for severance pay. Our severance pay regulations in Ontario are superior to those of any other jurisdiction on the North American continent. We are looking for ways to protect the severance pay in cases such as bankruptcies, but we have to work in co-operation with the federal government, which I have been told is very close to bringing forward some changes in the Bankruptcy Act that might permit us in Ontario to take some positive steps.

**Mr. Di Santo:** Mr. Speaker, I have question for the minister.

In view of the fact he thinks the select committee is not necessary; and in view of the fact he does not realize that in Canada the



legislation on plant shutdowns is the worst possible, enabling multinational companies come to Canada because this is the easiest place in the world to shut down a plant and leave the country without penalty; and in view of the fact we have here guests from a country where the legislation is very tough, would he at least talk to the members of the Bundesrat and ask them how the legislation in West Germany works? When a company there wants to shut down, it must have the authorization of the government.

Will he try to bring the same kind of legislation into Ontario to protect those workers who are penalized because of the lack of legislation in this province?

**Hon. Mr. Ramsay:** Mr. Speaker, certainly this government, my ministry and I have a responsibility to protect the workers. But we also have another responsibility of which I think some of the members opposite are losing sight; that is, we have to create an atmosphere to create jobs. We have to encourage investment in this province and that is what we are trying to do. There is a fine line that has to be followed between protection of the workers and the creation of jobs and the right environment for investment in this province.

3:20 p.m.

#### VISITOR

**Hon. Mr. Gregory:** Mr. Speaker, I wonder if I could draw to your attention the presence under the Speaker's gallery of the former Liberal member of the provincial parliament, Mr. Donald Deacon.

**Mr. Speaker:** Petitions. Reports. Motions.

#### INTRODUCTION OF BILLS

##### BOILERS AND PRESSURE VESSELS AMENDMENT ACT

Hon. Mr. Elgie moved, seconded by Hon. Mr. Baetz, first reading of Bill 157, An Act to amend the Boilers and Pressure Vessels Act.

Motion agreed to.

**Hon. Mr. Elgie:** Mr. Speaker, I am introducing for first reading, amendments to the Boiler and Pressure Vessels Act aimed at eliminating unnecessary slowdowns when boilers, pressure vessels and plants need repairs.

Section 32 of the act now requires that when a boiler, pressure vessel or plant is found to be unsafe, it must be examined by a ministry inspector both before and after being repaired. Since most boilers, pressure vessels and plants

are insured, they are inspected by government-certified inspectors.

Clearly, the function performed by our inspectors can be performed by government-certified personnel from insurance companies. The bill would make this permissible but not mandatory. Officials from my ministry have reached agreement with the appropriate insurance companies that their certified personnel will supervise and approve repair work done to the boilers and pressure vessels they insure.

In addition, subsection 32(3) authorizes the government chief inspector to exempt owners of plants operated around the clock from having major repairs approved by either a government or insurance inspector when the chief inspector is satisfied that the repairs will be performed safely and properly by qualified personnel.

Current provisions represent a hardship for refineries, petrochemical plants and similar operations having their own trained staff. There seems to be little point in making them shut down while the government inspector checks their work. The terms and conditions of the exemption will be set out in regulations.

Amendments to section 2 will extend the definition of "employer" for the purposes of section 36 of the act and eliminate unnecessary testing of welders changing jobs but who are still employed members of the trade association.

#### COLLECTION AGENCIES AMENDMENT ACT

Hon. Mr. Elgie moved, seconded by Hon. Mr. Baetz, first reading of Bill 158, An Act to amend the Collection Agencies Act.

Motion agreed to.

**Hon. Mr. Elgie:** Mr. Speaker, today I am introducing for first reading, an amendment to the Collection Agencies Act.

By way of background: We now have in place a set of guidelines outlining the kinds of methods that should not be used to collect debts. The registrar of the act ensures that all collection agencies are aware of these guidelines which have been in effect for many years, but the industry itself feels it would be to everyone's best interest to have the guidelines clearly spelled out in the act so that all agencies are following a set of rules enforceable by law. This would also give the public a clearer understanding of what collection agencies can and cannot do.

At present, the Collection Agencies Act only allows us to draft regulations governing collection methods. What we are planning to formal-

ize in the regulations is collection practices. The difference between a method and a practice is not clearly defined so we decided our best approach was to amend the act to enable us to draft regulations governing both practices and methods.

Amendments to the regulations will include prohibitions on, for example, trying to collect money from someone who says he or she is not responsible for the debt, without checking all the facts; phoning a debtor before he or she has been informed by letter that the account has been turned over to a collection agency; demanding payment of a debt without first identifying the collection agency, individual collector and the creditor; and, finally, launching legal action without first telling the debtor.

#### GASOLINE HANDLING AMENDMENT ACT

Hon. Mr. Elgie moved, seconded by Hon. Mr. Baetz, first reading of Bill 160, An Act to amend the Gasoline Handling Act.

Motion agreed to.

**Hon. Mr. Elgie:** Mr. Speaker, the amendment proposed would provide legislative authority to make a regulation requiring an application fee for a facility licence and a contractor's registration. Processing applications is a costly operation. The proposed regulation would identify a separate application fee, in addition to the licence fee, permitting recovery of costs where they occur.

#### CITY OF KITCHENER ACT

Mr. Breithaupt moved, seconded by Mr. Sweeney, first reading of Bill Pr33, An Act respecting the city of Kitchener.

Motion agreed to.

#### SOLICITORS AMENDMENT ACT

Hon. Mr. McMurtry moved, seconded by Hon. Mr. Welch, first reading of Bill 161, An Act to amend the Solicitors Act.

Motion agreed to.

**Hon. Mr. McMurtry:** Mr. Speaker, this bill prescribes an interest rate on overdue legal accounts which cannot exceed the prime rate. This is consistent with the rate of interest which has currently been awarded by the Supreme Court. In addition, the bill provides that, for the first time, a lawyer's client will have a corresponding right to interest when, on review of the lawyer's account, it is determined that the client has overpaid his lawyer.

#### EDUCATION AMENDMENT ACT

Mr. Martel moved, seconded by Mr. MacKenzie, first reading of Bill 162, An Act to amend the Education Act.

Motion agreed to.

**3:30 p.m.**

**Mr. Martel:** Mr. Speaker, I am delighted to have the Minister of Education (Miss Stephenson) here.

The purpose of the bill is to authorize the apportionment of school rates between public and separate schools in the case of a mixed marriage where the husband and wife own or lease rateable property jointly.

**Mr. Breaugh:** On a point of order, Mr. Speaker: I do not believe I heard you call for petitions today.

**Mr. Speaker:** I think I did, but if I missed one, do we have the permission of the House to revert to petitions?

Agreed to.

#### PETITIONS

##### TAX ON MEALS

**Mr. Breaugh:** Mr. Speaker, I thank the honourable members for giving unanimous consent to read into the record this petition from 263 patrons of Barney's Restaurant and Tavern at 44 Bond Street West in Oshawa, protesting the government's sales tax on food.

#### RELIGIOUS EDUCATION

**Mr. McKessock:** Mr. Speaker, I have two petitions here supporting the resolution I am debating later today, one from Flesherton and the other from Cobourg. They are signed by numerous people. The resolution concerns putting greater emphasis on religious education in the schools.

#### ORDERS OF THE DAY

##### PRIVATE MEMBERS' PUBLIC BUSINESS

##### LIQUOR CONTROL AMENDMENT ACT

Mr. Samis moved second reading of Bill 126, An Act to amend the Liquor Control Act.

**Mr. Samis:** Mr. Speaker, I rise to speak on this bill rather cognizant of the reaction across the House. One of my colleagues has suggested to me that maybe the member for Grey (Mr. McKessock) and I could get our bills passed today if we were to combine them into one. That might have a little more appeal to the open



minds across the way. However, we will see what happens.

This is a bill I have been introducing since 1974; it has almost become an annual rite to introduce this bill. I think it is an interesting bill for the members opposite because it gives them a fairly clear choice between free enterprise and monopoly control. That is the fundamental choice they have to make when voting on this bill, if they are allowed to vote.

I know the government likes to pride itself on how it is the supposed friend of small business and the private sector. This bill will be an interesting test for the government members to see how dedicated they really are to the concept of free enterprise and small business in Ontario. I know some people out there who believe in the private sector are wondering these days. When they vote Conservative they get rent control; when they vote Conservative they get the \$650-million Suncor fiasco, they get an all-time record \$2-billion deficit and they get an ever-growing family of crown corporations.

This bill will allow especially the back-bench members over there to prove to the people of Ontario that they really are the friends of small business and that they have not forgotten their so-called private enterprise origins. So we will see which side government members take on this bill—that of the monopolists or that of small business in Ontario. That, essentially, is the choice they have to make.

If we look at the current economic situation—interest rates which are staggering, exorbitant and obscene, the fact that we are coping with record bankruptcies in Ontario, if not in every other province in Canada, slumping consumer demand, wavering consumer confidence and the fact that small businesses everywhere are in deep difficulty today—I would suggest a bill like this makes some sense.

The whole question of the independent retail stores in Ontario is what this bill is all about. Let us look at what has happened to independent retail stores over the last 10 years. In 1971, the independents had a 35.6 per cent share of retail market sales by stores, versus 64.4 per cent for the chain stores. In 1981, 10 years later, the independents had dipped from 35.6 per cent to 24.9 per cent, whereas the chain stores had increased their proportion from 64.4 per cent to 75.1 per cent. What is happening in the Ontario retail market is pretty clear. The big boys are getting bigger and the small ones are disappearing or just hanging on for sheer survival.

Let us look at the Ontario situation in the

context of the national scene. As I said, the figures in Ontario are 75.1 per cent for the chains and 24.9 per cent for the independents. If we compare that with our neighbour to the east, Quebec, there the chain stores receive only 37.6 per cent of the retail market versus 62.4 per cent for the independents. In the Atlantic provinces, the figures are 50.7 per cent for the chains and 49.3 per cent for the independents. If we go west, they are 66 per cent for the chains and 33 per cent for the independents.

In Saskatchewan, it is 59 per cent for the chains and 40 per cent for the independents; in Alberta, 66 per cent for the chains and 33 per cent for the independents, and in British Columbia, 60 per cent for the chains and 39 per cent for the independents. The national average is 59 per cent of the retail market controlled by the chains and 40 per cent controlled by the independents.

I would suggest the two salient figures are that in Quebec the independents control 62 per cent of the market when the national figure is 40 per cent, whereas in Ontario it is a measly 24.9 per cent, the lowest in all of Canada.

Obviously, there is a problem in this province. The retail market, in terms of small business, is the most difficult in this province of any province in Canada, and in Quebec the figures are almost reversed. There has been a steady decline in Ontario over the last 10 years. Things have not improved; they have worsened. During the last 10 years in my own community, I would guess the mortality rate of the independent stores is over 50 per cent.

I realize that not all people of all faiths and persuasions think of the idea in the context of business and common sense. There are some reservations about the idea of selling beer outside of the Brewers Retail stores because many people in this province have never lived under another system. They have never visited another province. They have never seen another system in operation. I had the privilege of being able to live under another system for 21 years and so I am able to compare Ontario's system to others and to have some sense of perspective,

But things are changing in Ontario. I want to cite a few examples of the changing mentality in Ontario. First of all, being a part-time resident of the city of Toronto enables me to receive in my mail twice a year a stirring piece of literature called, "Larry Grossman, MPP, Keeping in Touch." Great stuff. It is beautiful blue stuff with wall-to-wall pictures of the Minister of Health, the Premier-in-waiting.

On page 4 of his report there is a little questionnaire. Question 3 was kind of interesting for someone like me. "Do you agree with the proposal to allow wine and/or beer to be sold in the corner grocery store?" The minister's constituents can be faulted for re-electing someone of his political persuasion, but they do show some common sense in other matters.

The answer to the question was, "Yes, 69.02 per cent; no, 29.56 per cent; undecided, 1.41 per cent." By a margin of more than two to one, the good citizens of the member's riding want a change. I would suggest that is a pretty decisive margin.

The Canadian Federation of Independent Business did a survey of its members in 1979 and asked, "Would you be in favour of selling beer in independent grocery stores?" The replies: 69.5 per cent replied yes, 27.7 per cent replied no, and 4.8 per cent were undecided. Again, there was more than a two-to-one margin in favour.

**3:40 p.m.**

Let us look at another one. There was a report done by the Ministry of Consumer and Commercial Relations in 1979. Their figures showed that 53 per cent were in favour of beer being sold in the corner grocery stores.

I notice there are various organizations in favour of it. The Ontario Retail Merchants Association of Canada is in favour of this type of initiative. I concede that they would put a greater priority on the wine question, but even today I received a letter from the president, John Gillespie. He says:

"The RMA has long supported the principle that consumers will benefit from a healthy independent retail sector. Your bill would help many small grocers compete more effectively in the marketplace, give the consumer greater opportunities for choice, and stop the growing concentration of market share in the hands of a few large supermarket chains. You and your party are to be commended for your support of the independent retailer in this area."

The members of the Canadian Federation of Independent Business, the Ontario Retail Merchants Association and the Canadian Federation of Retail Grocers have shown support. I noticed on the weekend that in Sudbury, the Ontario Liberal Party again showed support for the idea of beer in the corner grocery store. We have the small business sector, as manifested in three different organizations, either officially or through their membership, saying they are in favour.

Obviously, the Minister of Health's constitu-

ents are overwhelmingly in favour. In a survey done in my own riding, I think the figure was over 80 per cent in favour. The official opposition is in favour. A survey done by the ministry saw the majority of the people in favour.

Some people ask, "What would you replace it with?" I would suggest there are two models from which we can choose. The most obvious one is the one in Quebec, where it has been in effect for more than 30 years and has achieved tremendous popularity among the government, the small business sector and, most important of all, the consumers of that province. Essentially, they limit it to small independent grocery stores. I notice in the regulations of the Quebec official gazette they specify a certain inventory. This is a model we could adapt to our province.

They specify the weekly turnover and say three basic types of foodstuffs must be carried: fruit and vegetables, grocery and meat, etc. They specify exactly what they want and it has worked extremely well in Quebec and is extremely popular. Their system has evolved and there are some recent developments which, frankly, I would not want to see in Ontario, but the basic system has worked. The fact is that small business is prospering in Quebec, to the extent that Steinberg's is crying the blues and trying to get it into its chain of supermarkets. That is the exact opposite of Ontario.

Another model we could look at is the one in Newfoundland, which also has opted for selling beer in independent stores. Talking to the president of their liquor commission, I was rather intrigued by some of the things they do. They allow independent stores no more than two stores under the same ownership. That is where they draw the line. Unlike my bill and unlike Quebec, they make no restriction on whether it is a convenience store or anything as long as it is two.

There is an interesting aspect to their system. It does not even have to be a food store as long as it is a legitimate retail operation. It could be a hardware store or a sporting goods store. As long as it is legitimate and recognized by their inspectors, beer can be sold.

I would suggest the good burghers of the good island of Newfoundland have no lower morals or standards than the residents of this province. They are all good white Anglo-Saxon Protestants at that. It is interesting to note that the president of the liquor commission pointed out that beer consumption in that province has actually declined in the past two years.

We have two examples to work from, either



one of which could be adapted to the system in Ontario. What we have in Ontario is essentially a clear-cut monopoly for three companies: Molson's, Labatt's and Carling O'Keefe. Why do we tolerate a private monopoly on this one particular product? Why can the private sector not compete at the retail end? What other products do we have where the manufacturer controls the retail end of it and has a complete monopoly? Nobody else is allowed to compete. Why do we perpetuate this type of system?

I want to make it clear to those who may have misconceptions or fears, that my bill would not apply to milk stores. No Mac's Milk, no Becker's, no Pinto would be allowed to sell beer under this bill. No variety store would be allowed to sell beer, nor would any chain store; no Loblaws, no Dominion, no Miracle Mart, no A and P. There would be no private liquor stores under this bill. I am not advocating the American system.

Interjection.

**Mr. Samis:** If the member will listen he may learn something.

There would be no American-style private liquor stores. The bill relates only to the sale of beer. It does not extend to wine.

I look at the hypocrites on that side who talk about opposing this type of bill but who have established approximately 60 wine stores in supermarkets in this province. That is totally geared to helping the chains. No small business can get that concession, only the supermarkets. So this bill will not cause broad, expansive vending, as some people may think it will.

To add a personal view, I would go so far as to say we should take a long, hard look at our regulations on advertising beer in this province. I think the current regulations are a farce and make no sense at all. They are not being enforced. I would like to see a much tougher set of regulations applied, even to the point of considering the possibility of a ban on beer advertising on TV.

I do not want to use up all my time. I just want to end with a few ideas. First of all, there are clear-cut statistics that the consumption of beer is on the decline. It is not growing, it is on the decline. Liquor consumption is up, wine consumption is up but beer consumption is actually down. One only has to read the report of the brewers of Ontario. They have all the statistics, which I will not recite today.

Secondly, the whole beer market features the development of light beers, which have a lower alcoholic content, and they are catching on with

considerable popularity. The projections are that they will increase their share of the market.

We are in a province that has a drinking age which was recently increased to 19. I would really want to see the adoption of this bill with the "Who" card being enforced as a basic criterion for young people. I would want to see strict enforcement of the licensing system.

I do not think the bill would mean a loss of jobs. I would point out that Quebec, which has a prospering small business sector, has created 60,000 jobs in its retail sector, which is five times more than the number in the Steinberg's operation in that province. It can be an efficient system of distribution. It can serve the consumer. If necessary, we can adopt some type of uniform store hours similar to Quebec.

My fundamental point is that we are talking about a monopoly and I am opposed to monopolies. I would think a free enterpriser would be opposed to monopolies. The Quebec system works for small business. It is time for Ontario to do the same thing for its small retailers. If they really believed in private enterprise, they would give private enterprise a chance and pass this bill.

**Mr. Mitchell:** Mr. Speaker, I was listening to the member for Cornwall very intently and I noticed he said he was not talking about Mac's Milk, he was not talking about Becker's, he was not talking about the Pintos, he was not talking about the variety stores and he was not talking about this or that store. I really do not know what stores he is talking about putting beer in.

**Mr. Samis:** Walk out on the street and see.

**Mr. Mitchell:** By the way, the member is talking against Labatt's and Carling O'Keefe and all of the others, and now he wants it in the stores, which is going to help those companies. The two things seem contradictory.

Members who have followed the issue of the sale of alcoholic beverages in grocery stores will know this is an issue which has arisen periodically but, despite representations by lobbyists, has not progressed much beyond the discussion phase.

We have heard reasons that beer and, on other occasions, wine should be sold in grocery stores. The 1979 Canadian Facts market survey found it was the heavier drinkers who wanted beer in grocery stores while the more moderate drinkers tended to disagree. That same survey also showed a greater preference for wine in grocery stores than for beer.

Of course, it is not just the heavy drinkers who

support the sale of beer in grocery stores. I am sure many owners of small grocery stores see this as one way of boosting profits, especially if they are facing competition from larger chain stores. However, I hope the member is not trying to counter the volume-buying power of supermarket chains by allowing the independent grocers to sell beer. In my view it is really no solution to that particular problem.

If the survival of the independent grocery store owner in the competitive world of volume discounts really is the intent of this bill, then I would suggest the member had better spend his time lobbying for more effective federal combines legislation, instead of selling beer in small stores, which would create new and expensive problems.

**3:50 p.m.**

Neither can we accept the argument that this bill is necessary in order for grocery store owners to break even. The very idea of promoting drinking to prop up stores otherwise not economically viable is unacceptable in my mind and unacceptable to the majority of people in this province.

I suppose it could also be argued that the present distribution of stores is not adequate to properly serve Ontario, and that the addition of approximately 4,700 independent, unaffiliated stores would solve many distribution problems. Even this argument has its own problems and pitfalls.

First, I cannot remember hearing on any occasion that people—

**Mr. Boudria:** Who wrote that thing?

**Mr. Kerr:** Jean Chrétien.

**Mr. Mitchell:** I cannot remember hearing of any occasion of people experiencing difficulties in reaching a beer store. There just does not appear to be any need for a drastic increase in the number of off-premise outlets for beer. If there was such a need, I am sure we would have heard of it by now.

Another problem of adding all or even a portion of the 4,700 independent grocery stores as beer outlets would be in the area of distribution. Two problems arise. The first is quite simple. If we triple or quadruple the number of outlets providing beer, the existing distribution system would be overloaded. Not only that, but for storage reasons, grocery store owners would be able to handle only a very limited selection of beer. Therefore, the cost of delivering each bottle or case would be much higher than it is now for Brewers Warehousing.

This is important, because the member appears to have overlooked section 31 of the Liquor Control Act which requires that the price of any one brand of beer be the same in all stores. If he checks with the definitions in section 1 of the act the member will see that this is indeed the case. As a result, it can be expected that beer prices across the province would have to go up to pay for the increased cost of delivery.

It is also possible, of course, that beer will be delivered not by Brewers Warehousing but by the grocers. This would keep the delivery cost down for the brewers but it is tied into another problem.

Take as an example a small town with a Brewers Retail store. If this bill is passed it is likely that five, six or even seven grocery stores will start selling beer. In a short time, sales at that Brewers Retail store will have dropped to a level where it is no longer practical to keep that outlet open. As a result, workers at that store would lose their jobs, as would the delivery drivers for that store.

I am sure the union representing the workers is not too pleased with the prospect of seeing beer in grocery stores. I have no statement from them to say so, but I suspect they would be the first to try to defend their jobs and, of course, the member is always trying to defend people in their jobs.

In short, we are really faced with the prospect of seeing some jobs disappear as a result of adopting this bill. Additional jobs would be created not in the smaller communities but in the big urban centres where the breweries are located, as the breweries would have to deal with an increased demand. Even that would not likely help because the increase in beer sales might be offset by a corresponding decrease in the consumption of other beverages such as milk or juice, which people normally buy in grocery stores.

Admittedly, evidence on this is rather scarce, but I do recall—

**Mr. Boudria:** Oh, you are really something.

**Mr. Mitchell:** I listened to the member for Prescott-Russell when he spoke and never made a fuss. Perhaps he can tell me how well the promotion of milk went in the schools over in France a few years back.

Admittedly, evidence on this is rather scarce, but it would certainly not be at all surprising if beer did replace other beverages sold in the same stores. If this happened, grocery store owners would not make as much profit as they



had perhaps hoped they would through the sale of beer.

Store owners would also have another issue to deal with. Under current regulations of the Liquor Licence Act—here is a good thing—persons under the age of 18 cannot sell or even remain on premises where the sale of alcohol is authorized. A fair number of changes would have to be made to avoid the prospects of a store owner not being allowed to have his children run the store for a while. Say he wants to go off and have a coffee; his kids would not be able to run it by law.

Even the age of store customers would have to be checked. But this problem of regulation is not so serious as the increased potential for underage youth to have access to beer. Under the system as it currently exists, there is a good degree of control over the age of people purchasing beer. I am afraid that if the sale of beer were extended to grocery stores, the level of control would slacken. I do not think the majority of grocery store owners would start selling beer to 16-year-olds, but I am sure the temptation would be there for some.

Grocery store owners who are open on Sunday could also, and would also, be constrained by the provisions of the Retail Business Holidays Act. Virtually all those stores meet the requirements for Sunday openings now, but if beer were introduced it would have to be removed for that store to open.

Approaching the issue from another angle, we have sufficient proof prepared by the Addiction Research Foundation that an increase in off-premise outlets will increase consumption and also the number of problem drinkers our society has to deal with. The Addiction Research Foundation estimated that the increased consumption per capita would range from 0.6 per cent to 3.2 per cent. That study was made on the basis of wine sales, and current thought at the ARF is that for beer the increase would be greater. The number of heavy drinkers would likely increase by almost 15,000.

Other evidence also exists to show a direct relationship between alcohol consumption and the number of outlets. In 1979, Michigan conducted a survey for the Highway Safety Research Institute and reported a relationship between aggregate monthly frequency of licensing activities and alcohol sales between 1970 and 1977. In the United States, statistics show that consumption is consistently higher in those states with higher rates of off-premise outlets.

If a bill such as Bill 126 were adopted, a

responsible government would have to ensure grocery stores introduced beer gradually. The only way this could be done would be by restricting the number of stores allowed to sell beer. This, of course, would create resentment on the part of grocers not permitted to carry beer.

Anyone who has visited the United States will know that many states allow beer and alcohol to be sold in grocery stores. What I would also like to point out is these stores in particular are singled out for holdups and robberies because of the presence of alcoholic beverages, and often because these stores are perceived by the robbers to have more cash. Store owners there have taken to carrying handguns and even shotguns under the counter. I for one do not want to see this sort of behaviour carried over into Ontario.

I hope I have been able to point out a few of the problem areas I see in this bill. I know it would be very nice on occasion to be able to go down to the local corner store and to come home with a six-pack. Unfortunately, because some people would make more than just the occasional trip and for all the other reasons, I urge members to vote against the bill.

**The Acting Speaker (Mr. Cousens):** The member for Prescott-Russell.

**Mr. Mitchell:** I'm going to listen to you.

**Mr. Boudria:** Mr. Speaker, I am glad the member for Carleton is going to listen to me. I must say it was hard to hold back as much as I did when I heard some of his remarks, such as how it would cause people to drink too much and things like that.

I would like to remind the member that Quebeckers are not drunks all the time. They do not sprawl all over the place in the street because they can buy a six-pack at the corner store. What kind of ridiculous nonsense is this? We are not asking the government to promote the sale of beer. We are asking it to assist small business. It is hypocrisy for a government living off the avails of liquor and beer sales, with the taxes, to tell us it is of this Moral Majority group that does not want to change a thing.

There is a constituent of mine who told me once that the only way to convince this government to change anything is by assuring it that, once it is changed, it will be the same as before it changed it. That is so accurate. This government does not want to change anything. If it does, it changes something and tells the majority it is the same as before and convinces

everybody else it has not done a thing. It is against the very principles of this government to change anything. That word is evil in the eyes of this government.

**4 p.m.**

I am beginning to think that helping small business is equally evil for the government. The same honourable member said that if small enterprises sold beer the price would go up. Then why does the government not monopolize everything under the sun by regulated monopolies and give that business to the rest of its friends, the way beer is sold? I know small businesses are probably not large supporters of the government, but that is a very poor way of treating them.

In eastern Ontario—that is the same region the member for Carleton comes from—he should know that having beer in grocery stores is a very popular issue. The people of our area would like that. If the people of the great city of Nepean did not want that, they could have a local option and not sell beer at all. Of course they would all go and buy it in Ottawa but they could tell themselves they are not drinking it, whatever good that would do. Or they could do as they do now—cross the bridge to Hull and buy it on Sunday.

Yet the government can still make the same hypocritical statement saying it disallows it. The only thing it is disallowing is the small independent grocery stores—and that answers the question of the member for Cornwall—from making a decent living in Ontario. At the same time it is encouraging the same stores across the bridge in Hull to make a very hefty profit on Ontario beer that should be sold in this province.

The member talked about the very deep problem there would be in selling beer on Sunday. I am not going to talk about whether beer should or should not be sold on Sunday. Again, in our area people just cross the bridge and buy it. If they do not want beer sold on Sunday they should do as they do in certain areas of Florida, for instance. There people do not buy it. There is a little sticker on the cash register that says, “We do not sell beer on Sunday.”

That is very complicated. It would require at least 30 seconds with a pencil to write a note to stick on the cash register saying they cannot sell beer on Sunday. It is very deep stuff, a very big issue and very complicated to regulate. I am sure it completely surpasses the ability and comprehension of the member for Carleton to administer such a major issue as the sale of beer.

We are not asking the government to be as innovative as it is in Quebec in these things, because we do not expect that. It would be too much to ask this government to be innovative. Maybe it could be half as innovative as Newfoundland. That is a very innovative place, and the government should always compare itself to that area to make sure it is as avant-garde as those people.

The sale of Ontario wine in Ontario stores should also be included. Of course that would be such a drastic change that even at the thought of such a thing all members across the way would probably fall on their faces in this Legislature. Rather than purchasing imported products, which is an issue I have raised on many occasions, we should encourage Ontario and Canadian businesses. This would be an effective mechanism for doing that as well. I would not see any problem either in having Ontario wines sold in small grocery stores.

**Mr. J. M. Johnson:** Shame

**Mr. Boudria:** The member for Wellington-Dufferin-Peel says, “Shame,” because he can go back to his riding and say, “I am against people being drunk in the streets.” That sounds very good, although it is completely meaningless. It is like “Are you against motherhood?” That question would be equivalent. It has totally no relevance to the subject at hand.

We are not discussing whether we are for or against liquor. Remember, Mr. Speaker, it is this government that lives off the avails of the sales of such products, and it does so very well. It gets many of its tax dollars from that. If it is so much against the sale of liquor, and if it does not think it is moral to live off the sale of liquor, why does it not remove the tax from it? Does it not think it is immoral to accept such funds? But it would not do that. It is pure hypocrisy on the government’s part. It is very much for the sale of liquor and beer and everything else.

**Mr. Mitchell:** What is a variety store then? They carry groceries, and you know it.

**Mr. Boudria:** They want only to give the business to their big corporate friends instead of the small independent grocery stores of this province.

I will get to some of the specifics of the bill. It is not my bill, but I would like to comment very favourably on some parts of it.

The member for Carleton was asking, “Which store does that mean directly?” I suggest he did not read section 1 of the bill, because it says small “independent grocery store owner.” That



means a small independent grocery store that owns fewer than four stores. That is quite well defined in there, if the member had read it.

This means that if Mac's Milk owns a whole bunch of stores, it would not qualify, but a small family type of operation would. I would suggest there should be a square footage requirement, perhaps in the regulations, and I am sure the member for Cornwall agrees that one does not want a large Honest Ed type of store to be able to have the benefits of selling beer. I do not think that is what we are trying to achieve with this bill. We want to be able to help the little guy, the small business person in this province, and I think this bill would do that very well in its present form.

The member for Cornwall has mentioned that the Retail Merchants Association of Canada Inc., the Canadian Organization of Small Business and the Canadian Federation of Independent Business are all for it. Maybe it is because the Canadian association of big business is not for it that the government is against it. That is probably the deep-down reason. They will use other rationales, of course, but it goes back to the same premise: They want liquor sold, they want beer sold and they want their friends to do it. And that is the reason.

The member voiced concern about the people employed by Brewers Retail in Ontario who would all be thrown on the street overnight if this happened, and all this kind of thing. I would suggest this member is not concerned about those people; he is concerned about the corporation that owns Brewers Retail.

**Mr. Kolyn:** Who is the corporation? All of the brewers in Ontario and the Brewers Warehousing Co.

**Mr. Boudria:** They would still probably be in charge of distributing the beer to the independent grocery stores. That could accommodate much of the employment; they would still be kept busy doing those things. But as for the actual retail outlet, maybe instead of working as cashiers in the beer store they could go and work for Mr. So-and-so's corner store. That is, provided it is not against the member's morals to have somebody work for a small business.

**Mr. Mitchell:** You talk about the mom and pop operations. How about the kids who cannot work in the stores now?

**Mr. Boudria:** Oh, there is this great concern about the people under 18 who could not work in certain grocery stores and all this kind of thing. There is nothing in that small issue that

cannot be addressed in some way by the regulations. The members opposite are obviously picking on small technicalities they can use to change the very good idea proposed in the bill by the member for Cornwall.

The principle of the bill is very sound. It is a pro-small-business bill. It has nothing to do with having people drunk all over the place—

**The Deputy Speaker:** Time.

**Mr. Boudria:** The people of eastern Ontario who go to Quebec to buy their beer are not drunk all over the place, nor are our counterparts in that province.

**Mr. Di Santo:** Mr. Speaker, I was listening with great interest to the speech that was written for the member for Carleton—I do not know by whom—and I was amazed. I think the member is probably right in taking the position he took, because he probably has been buried in Carleton all his life and does not understand the reality of the world.

But as the member for Prescott-Russell said, there are other jurisdictions where people have different habits. Perhaps the member for Carleton would be better advised if he undertook the task of visiting other places in the world.

**4:10 p.m.**

**Mr. Mitchell:** I have.

**Mr. Di Santo:** If he has, then we are faced with an even more serious problem, because obviously he did not learn anything. That is even worse. It is bad for the people he represents in this Legislature.

I come from another country where the legislation is totally liberalized and the rate of alcoholism is no higher than in Canada. If one goes to other countries, such as West Germany—and we could ask the visiting members of the Bundesrat—if one goes to the Rhine valley on a summer day there are hundreds of small outlets, grocery stores, where one can buy a sandwich and drink a beer under the beautiful sun. The problem of alcoholism is neither better nor worse than in Ontario.

The argument the member made in order to oppose this bill is most foolish. On one hand he wants to prove from an economic point of view this bill will be detrimental to Ontario. He did not prove it.

**Mr. Boudria:** It is detrimental to his party.

**Mr. Di Santo:** Yes. The member for Carleton, with his closed mind, supposes it is legitimate to think the interests of the people of Ontario coincide with the interests of the Conservative

Party, even though only 25 per cent of all the eligible voters voted for his party in the last election. But that is beside the point.

The member did not give us any argument to prove that allowing the sale of beer in grocery stores will be detrimental to the economy of the province. The member for Cornwall and the member for Prescott-Russell told us the government is really protecting a monopoly. It cannot deny that. This is the only place where a government legitimizes a double monopoly, the monopoly of the producer and the monopoly of the retailer. If it allows grocery stores to sell beer it breaks that monopoly and creates the conditions for competition. There is nothing wrong with that concept if the government really believes competition is an important aspect of the economy of a modern nation. It cannot be serious.

The member for Cornwall pointed out that while the government is preaching every day about free enterprise, when it is convenient it hypocritically does all the things attributed to us as Socialists. We take pride in recognizing that we believe in the intervention of the public sector in selected areas of the economy. But the government does that while denying it. That is hypocritical, as is also the second part of its argument against the outlet.

**Mr. Mitchell:** How do you differentiate between a guy who has one grocery store totally owned by him and another who, because he happens to be in IGA, is not going to be allowed in? How do you justify that?

**Mr. Di Santo:** I have only 10 minutes. I do not know the profession of the member for Carleton but probably he does not understand the elements of economics.

I want to get to the second argument he made, which was a moral one. He said if we allow the sale of beer in the grocery stores we will be doing something extremely obnoxious to our people because we will increase alcoholism and promote drinking.

If they are serious over there, perhaps the member for Carleton should tell us why in the last budget this government increased taxes on liquor, beer and tobacco—all sinful things. They should be banned from our society if they promote sin. That is the utmost hypocrisy. Beer, alcohol and tobacco are sinful but we make money out of them by taxing the people who use them. Is that not fantastic? When my colleague proposes to sell these same products in grocery stores they become sinful—I suppose we are promoting drinking, creating alcoholism and

creating the conditions for the decay of our society and civilization.

It has been proved by history that whenever freedom prevails and people have freedom of choice they will decide what is dangerous for themselves and what is not. The member for Carleton mentioned a study by the Addiction Research Foundation. It showed that when the sale of wine is less restricted, as is the case in countries like the one I come from, abuse is not as great as in countries where there is moral compulsion not to use these products—in fact the rate of alcoholism is much lower.

The moral argument is ludicrous and preposterous, coming from a member of a government that imposes taxes on people in order to get revenues. They want us to believe the use of alcohol and tobacco is the result of the machinations of the devil.

I want to say, for I have only a little time left, that by allowing the sale of beer in grocery stores we will not destroy the economy of this province. The member knows very well that small business in this province is what creates more jobs. Family outlets are the ones that need to be helped at a time when they are being crucified by high interest rates and the total ineptitude of this government to help or relieve them in any way.

I hope some people on the other side of the House will be open-minded and will try to understand that this is not a bill which will undermine our society. It is only a modest attempt to diversify what is now a monopoly that should be broken.

**Mr. Treleaven:** Mr. Speaker, I would like to answer the member for Downsview by saying that the members on this side will not only have open minds but fair minds.

The member for Cornwall has suggested two main reasons for passing this bill: The first is for the convenience of the beer-buying public, and the second is to help the small independent grocers. He states that he has introduced this since 1974 and therefore has heard much reiteration of the same arguments, both pro and con.

**4:20 p.m.**

I have today some information I wish to share with him from the county of Oxford. But first I would say I am a little puzzled with what I would call the technical deficiency of his bill. He stated no Mac's Milk or Becker's stores, and so on. That is plain enough; but then he said no variety stores.

In the county of Oxford, and I believe in the



counties of Elgin, Grey and any others around there, most of the variety stores we have would fall within the definition of an independent grocery store owner as defined in the act because they would have as their principal business the sale of foodstuffs. I suspect, when he states there would be no variety stores, he is quite incorrect. If he wants to take variety stores out of there he must redefine "independent grocery store owner."

That is the first reason I submit the bill should be voted down. Second, I would like to refer to a 1981 brief from the Addiction Research Foundation which was submitted to the Minister of Health and various other ministries at that time. It discussed the impact—

**Mr. Shymko:** Let's hear it.

**Mr. Treleaven:** I thank you for your invitation. I would not have otherwise, my friend.

The brief discusses the impact of allowing 1,700 grocery stores to sell wine. That is wine, not beer, and I will get to the distinction. I am submitting that these findings can certainly be applied to beer at those same 1,700 grocery stores, only more so. The average person in southwestern Ontario who is averse to wine, even Ontario wine, in those stores is more opposed to beer in the same stores.

"The study shows that "alcohol consumption definitely increases as the number of places selling alcohol increases." It further shows that "health problems associated with alcohol increase as availability and consumption increase." My friend the member for Carleton referred to nondrinkers, light drinkers and so on. The brief of the Addiction Research Foundation shows, "While consumption might not increase significantly among nondrinkers and light drinkers, the number of heavy drinkers increases dramatically."

It states various things, but the summary is that "The trend in Ontario over the last 30 years has been as the number of places selling alcohol increased, so do (a) per capita consumption, (b) cirrhosis of the liver leading to death, (c) driving offences called impaired driving."

Last January, the government of British Columbia decided not to allow the sale of beer and wine in grocery stores. At that time the minister said, "In my view, liquor policy should be a reflection of the balance of reasoned community consensus." I certainly agree with that minister and I ask, what is reasoned community consensus in this province? As it happens and by coincidence—

**Mr. Samis:** What minister said that?

**Mr. Treleaven:** His name is Peter Hyndman, Minister of Consumer and Corporate Affairs. Coincidentally with this bill, there was the return of my newsletter with a questionnaire on the back, not dealing with beer but dealing with Ontario wine in independent community grocery stores. That is very close to what the member is referring to.

As of last Thursday—this is from the county of Oxford and our good postal service also delivers to that small portion of Oxford which my friend the member for Brant-Oxford-Norfolk (Mr. Nixon) calls his riding. In portions of Oxford county, some refer to him as a carpet-bagger or a parachutist, but I would not say that. However, I would say—

**An hon. member:** He holds you in contempt.

**Mr. Nixon:** On a point of order: A Nixon has represented that part of Oxford county since before you were born.

**Mr. Breaugh:** As a matter of fact, there is a rumour.

**Mr. Nixon:** Parachuted! Parachuted from heaven.

**Mr. Treleaven:** Yes, I am the parachutist—only 40 some years in the good county of Oxford. But I might point out to the member for Brant-Oxford-Norfolk that these statistics would certainly be as relevant for the township of Blandford-Blenheim as the rest of Oxford county.

**Mr. Nixon:** Do you mean that nobody drinks in Blandford-Blenheim?

**Mr. Treleaven:** No. There are people who drink but they certainly would be opposed to the sale of beer in independent grocery stores.

The statistics of the Minister of Health might indicate 69 per cent are in favour of beer and wine but in Oxford County there is even a split on Ontario wine. It would be more than that who were opposed. At the point where they were counted, 112 agreed to put it in the stores and 107 were against. A sizeable number of the 112 who agreed to put the wine in the stores said, "But only Ontario wine." Therefore it is very obvious beer would have fallen below the 50 per cent.

May I refer to a few of the quotations from the people of Oxford when they answered some of the questions on the poll.

**Mr. Nixon:** Oh, you Tories have polls for everything.

**Mr. Treleaven:** Thank you. I have one for Oxford.

When they refer to my questionnaire, they say—listen to this:

**Mr. Shymko:** Let's hear it.

**Mr. Treleaven:** This is what the people are saying against having wine in small stores: "This will result in the greater use of alcohol, especially by the young." Another said, "The excessive use of alcohol is the cancer of our society." Another said, "There are enough outlets now." Another said, "Liquor is too accessible now. Canada has a very high alcoholism. . ."

Another one said, "We have both a brewers' warehouse and a liquor store in Norwich which are sufficient outlets for the purchase of alcohol." Another one said, "My children agree that it would make it harder to control under-age drinking." "It would be too difficult to control and too easy for minors to obtain." Here is one: "If restricted to Ontario wines" they might be in favour. And again, " . . . contributing to impaired driving."

On the same questionnaire, I had a question on the matter of censorship. I asked if the people were in favour of censorship as it now exists in Ontario, which includes editing, or if they favoured simply a classification system. I have not added up the replies. They are not all in. I hurried that question on beer and wine in stores for this debate today.

However, I would say there is a direct parallel between the people answering the question on censorship and those dealing with alcohol and beer in the stores. They feel the society in which we live in southwestern Ontario is already too permissive and they do not want any loosening of the liquor laws or the censorship laws. That is quite clear in Oxford.

The member for Cornwall has a laudable aim in helping small grocery stores but on balance he is creating a worse menace to our society than he is curing. Small business has other things to help it. There is a tax holiday in our recent budget and I would ask the member to wait—

**Mr. Shymko:** It is a good budget.

**Mr. Treleaven:** Good budget, certainly. An excellent budget; 97 per cent good and three per cent annoying.

The bill should be opposed and we should wait until Monday night to see what the federal government has for the small businessmen.

**The Deputy Speaker:** I would like to point out to the member for Brant-Oxford-Norfolk that this debate concludes at 4:41 p.m. The honourable member who has put forward his bill has

reserved four minutes of time, so with quick calculation I am sure you will be able to figure out how long you have to talk. In addition to that, I do not know about you, but with all of this talk, I am getting thirsty.

**4:30 p.m.**

**Mr. Nixon:** I rely on your guidance, Mr. Speaker, as always. Normally, I am pretty convinced by the member for Oxford when he gets up to speak, but in this instance I feel he has overlooked two or three important and salient facts.

When he expresses his concern about the level of alcoholism, it is something with which we must all agree. But if we look at the budget that just came down a few weeks ago, we find the Treasurer (Mr. F. S. Miller) intends to make a clear profit of \$530 million from the liquor stores alone and an additional \$185 million profit on the sale of permits and other licences for the sale of liquor, for a total of \$715 million profit that goes into the consolidated revenue of the province and is used, among other things, to pay the honourable members' salaries, travelling expenses, apartments, etc.

**Mr. Shymko:** Including your own.

**Mr. Nixon:** They even paid the member's way to Dakar, for goshsakes, which is something else we ought to be looking at.

The point is that surely all of us are concerned about the terrible effects of alcohol in the community. If we could eliminate alcohol right off the face of the earth, I for one, and I am sure the honourable member too, would do so. Neither of us is a known teetotaler, but just as men of moderation. But we understand it is a big problem. The problems the member raised of cirrhosis of the liver and driving accidents are terrible problems, but I cannot see the relevance to the matter before us, because the law does permit the legal sale of beer and other alcoholic beverages and the government taxes it mightily.

As a matter of fact, the government has a monopoly on the sale of liquor. It buys the raw material cheap, waters it down and sells it dear in its own stores. In the town of Paris, in my constituency, the very finest buildings in the whole community are the new liquor store, which is like the Bastille with a modern design, and the new beer store. Frankly, the only problem I have is that the people who live in my rural community of St. George and South Dumfries have to drive 12 to 15 miles to get the beer. I am sure it would be a better thing if none



of them ever bought any beer but, Mr. Speaker, you know that some people, just like the people in your community, have been known to buy beer. There may even be some in your own refrigerator, but I am not prepared to state that as an absolute fact.

**The Deputy Speaker:** Thank you.

**Mr. Nixon:** But let us face it, people drink beer and if they want to drink beer, they are going to drink beer. The law permits it and the government taxes it.

In my own community, which is rural, it is only in recent years, certainly since my entry into politics, that it has been legal to buy liquor in the township. We do not have any outlets except for one or two small roadside restaurants. Certainly from the stories in our family, we go back to the time when the Canada Temperance Act simply cleaned the whole thing out of the township. The Methodist Church, to which all my forbears owed allegiance, was very strong indeed in cleaning up what it considered to be one of the greatest menaces in the early community.

In the village of St. George there were three distilleries. The farmers all went up with their horses and buggies to take the kids to school and bring home several honey pails full of raw booze, which they simply drank as we would now drink Kool-Aid, out in the hay fields. It did not do them any harm, I suppose, but by our standards most of those farmers before 1860 were alcoholics. They did not think it was doing them any damage, but I am sure it was.

My sainted great-grandfather, who was one of the leaders in the community—a well-known Conservative, if members will permit me that aside—was certainly one of the ones with a honey pail in each hand. Members will be glad to know he celebrated his 50th wedding anniversary with his second wife. So it did not do him any great definite harm. But I was raised in the traditions of Methodism and in the United Church. Certainly it was brought home to me in those days that drinking was a sin. Most of the people in the community definitely accepted it that way. But there has been a considerable broadening—

**Mr. Shymko:** Liberalizing.

**Mr. Nixon:** I hesitate to say "liberalizing"—of the view of the community. It is much more along the lines of that accepted by the ancestors of the honourable gentleman who is so keen to help me in my remarks. That is, they accept alcoholic beverage in moderation, they know

that it can be extremely damaging but they also know that in some instances it is a part of the life that we are living.

Things have changed quite dramatically and in our township among the hard-working farmers, who work just as hard as farmers did in the 1860s, and the townspeople, there is no place that one can buy beer anywhere unless one gets in a car and drives to the government store. Certainly the government does not hesitate to spend a lot of money in those fine buildings.

Frankly, I have no hesitation in supporting the bill that my honourable friend the member for Cornwall has put forward. I know that some of the people in my community would not support it for the reasons put forward by the member for Oxford. I really feel, though, that the community has changed, and that each person is his or her own liquor control board—as the government has spent many hundreds of thousands of dollars in its advertising campaign to put forward.

I believe that is so. The churches continue to teach moderation and temperance, as they should. In our community it is considered the responsibility of the church and the community not only to inculcate those standards in the young people to the best of our ability by teaching and by our own example, but we feel that is a responsibility that lies in the home and in the church, not in the school. I have no hesitation in saying that I believe it is a good thing.

On another personal note: My wife and I have been known to go to Florida on a brief holiday. One can go into a store there—not every little shanty by the side of the road, but one can go into a store—and there in a nice cooler are several brands of beer, competitively priced. One can buy a few bottles if one wants to, and I would suggest that no serious damage is caused by that.

I feel that the member is to be congratulated. It may be that his bill will not win this time, but I feel that the community is moving more and more to the acceptance of moderation and reasonableness in this matter, which has been such a problem for so many years.

**Mr. Samis:** First of all I want to say that I always appreciate the support of such men of moderation as my good friend from Brant-Oxford-Norfolk, and I enjoyed listening to the remarks of the other members. Most of the remarks of the member for Carleton were so asinine that I do not think they deserve comment, but the member from Oxford made some



interesting comments and raised some questions that I think were valid.

The one thing I noticed in both of the speakers who opposed the bill was that they did not address the question of the monopoly, a private monopoly enjoyed by Labatt's, by Molson and by Carling O'Keefe, which is owned by South African interests, the Rothmans. They did not address that. They thought of all the potential problems, but the bottom line is: "Let us keep the monopoly in Ontario. Let us protect our friends, the big three. Let us not allow small business to get in on this. Let us keep it in the hands of the brewers."

Can one think of any other province or any other jurisdiction in North America where the sale of a product is monopolized by the manufacturer and it is sanctioned by government and protected by government, which says to small business, "You cannot sell it. It is against the law for you to sell it"? One can conjure up all sorts of images about morality and all of that, but the simple fact is that the government is protecting a monopoly and is working against small business and even against public opinion in this province.

There may be some quibbling about the definition of "variety store" versus "grocery store." I think that could be worked out quite easily. I would omit the term "variety store" and perhaps just say "grocery store." The point is, we would not allow jug-milk stores—Mac's Milk stores, or any of those so-called franchised convenience stores—to sell this sort of thing.

The simple fact is, if one looks at the report of Brewers' Warehousing Co. Ltd., beer consumption in this province has been in decline since 1974. Per capita consumption is down, and I quote: "The trend in consumption is most strongly marked when considered on the basis of adults 15 years and over who choose to drink."

They have all sorts of figures in here. In actual rates of consumption, Ontario ranks 15th among the countries in the world. If one compares consumption of beer versus hard liquor and versus wine, we find the consumption of alcohol spirits is up 40 per cent since 1955, alcohol 127 per cent since 1955 and the share of total drinks consumed in the form of beer has declined 27.7 per cent.

4:40 p.m.

The simple fact is that we are not trying to conjure up social problems; we are not talking about a major problem. And I would challenge the members opposite—if they are even allowed to vote on this—to go to one jurisdiction in

North America, be it Quebec, or Newfoundland, or New York State, or any state in the USA, and ask if they would want to go back to the old system of control via monopoly.

Even if you are going to have a monopoly, you would think the government would have the monopoly, not the Big Three; but not in Ontario, not in Toryland. It is the private preserve of the select few: the Big Three.

That is what we want to break, Mr. Speaker. We want to see a system of real, free enterprise; a real, free market. I am sure all good men and women of moderation realize that the system works well, and as Ontario moves into the 1980s they would want Ontario to have such a system for themselves and for their children.

### RELIGIOUS EDUCATION

Mr. McKessock moved, seconded by Mr. Sweeney, resolution 23:

That, in the belief that every child should have the opportunity of learning the Judaeo-Christian beliefs on which this country was founded, and recognizing that the religious convictions of those other than Christian are fully protected under the act and regulations, section 50 of the Education Act and regulations pertaining to religious education should be strictly adhered to in the province, particularly recognizing that only 30 per cent of Canadians presently attend church regularly, so that it is doubly important that students be exposed to biblical truths and the reasons for our moral standards; and to this end that section 28, subsection 15 of O. Reg. 262, RRO 1980, which allows the Ministry of Education to grant exemptions to boards, be repealed, as it is in conflict with the Education Act, section 235, subsection 1(c) which requires a teacher to inculcate by precept and example respect for religion and the principles of Judaeo-Christian morality.

**The Acting Speaker (Mr. Cousens):** I remind the honourable member that he has up to 20 minutes for his presentation and he may reserve any portion thereof for windup.

**Mr. McKessock:** Thank you, Mr. Speaker. I would like to save four or five minutes for the windup.

I welcome everyone who is here to participate in this debate and also those who are here to listen. I feel it is a privilege and a duty for me to introduce for debate this resolution pertaining to the Education Act and, more specifically, the part that refers to religious education.

It is a privilege because I live in a country that is free from the war, persecution and strife



found in many other countries. I do not believe it is any coincidence that we live in such a blessed country. I believe this country was built on the strong Judaeo-Christian faith and beliefs of our ancestors and that God has blessed us for it.

I feel it is my duty to bring forth this resolution not only as a Christian but as a Canadian who believes that we need to make sure our children learn the same basic truths and get the same knowledge of the faith their ancestors had, which allowed them to overcome adversities and conquer the many trials and hardships encountered while they developed this great land.

The resolution simply says that we should be doing what the Education Act and regulations allow, which is to give religious instruction to our students, both elementary and secondary, for one hour per week, and that the part of the regulations which allows a school board to request an exemption from religious instruction be repealed.

We all know that at present some schools are giving religious instruction and others are not, whether or not they have asked the minister for exemption. I realize this is a simplistic explanation of this resolution and is not enough, but I want to encourage the government and school boards to put greater emphasis on religious education.

First, we might ask ourselves why we have dropped away from religious education in the schools. When I was in public school we had scripture reading, sang hymns and repeated the Lord's Prayer; now very few schools, if any, are doing all three. There are, I suppose, many reasons for this.

The first reason is that we have changed to larger school systems and larger school boards; and it seems that when the little school went, so did some of the community spirit. Then we had the migration of many people to our country from different cultures and different religions, and some in positions of authority got the idea that it should not look as if we were imposing our faith and beliefs on them.

Third, our country was starting to do well. Jobs, money and worldly possessions were available to most and people began to drift away from the church and to think they could get by without God. These people were also being elected to school boards and graduating from teachers' colleges.

There are many reasons we have drifted away from God and from giving religious instruction

in our schools. Some say the church is the place to present and teach religion. That is a perfectly good suggestion but we have to face the facts that things have changed. This is 1982. When people said, 40 years ago, that the church was the place to teach religion they would have been right because 85 per cent of the people were going to church then. But in 1982, only 30 per cent attend church regularly.

If we do not present at least the basic biblical truths and read the scriptures in the schools, 70 per cent of our young people will never get the chance to learn what is meant by Judaeo-Christian morals and standards and why they should adopt them. I believe it will be disastrous for our society if we do not face up to our responsibilities and see that our children get the proper instruction so that they will have respect for religion and the principles of Judaeo-Christian morality.

Why do people not go to church? Some blame the churches but we need not put the blame on any one segment of society. We can all take part of the blame. We as MPPs should be able to sympathize with ministers of the church who, like us, have seen their constituencies grow. There are now fewer churches and ministers and more ground to cover. If we were twice as many ministers or MPPs, we could cover more ground and see more people. But things have changed and we have to face the facts.

Today, we often find that when young couples start to raise a family they go back to the church they left for some reason during their teen-age years. Now they want to give their children the right upbringing. They want them to be raised with the right moral standards, and they want them to have a faith they can hang on to. These couples come back to church today because they had a basic training and education in religion when they were young.

Those 70 per cent who are not attending a place of worship today will have nothing to come back to when they get married within the next 20 years unless we give them some basic religious teaching in the schools today. If we do not, our moral standards and our religious convictions will continue to deteriorate. Then, I wonder, how long will God continue to bless this land which was based on the faith of our forefathers?

In the resolution I did not get into how religion should be presented in the schools. I say "presented" because I hesitate to say "teach." Some people get hung up when they hear talk of teaching religion. I heard a Catholic priest say,



"Religion cannot be taught, it must be caught." I agree. But for it to be caught it must be presented in some form.

There are dozens of ways in which religion can be presented in the schools. For example, scriptures could be read each day. If these scriptures were read from the living Bible, or from one of the modern translations, the students would find religion understandable and needing very little extra commentary. If the students had questions they could file them until a minister, approved by the board, came in once a month for a question-and-answer session. This monthly talk could be shared by the ministerial association of the area so that it would not overwork any one minister.

The teachers and parents would not have to be concerned about what was presented if the Bible only were read. I do not like the present regulations talking about different denominations meeting in different parts of the school. I feel it should be a course where all students could meet together and where no exemptions from the class would be necessary. I think all should be in attendance. I do not know how one could call himself educated without a knowledge of the Bible whether he or she takes it literally, spiritually or historically.

In discussing my resolution with a couple of directors of education, they informed me that they would like the Minister of Education (Miss Stephenson) to issue curriculum guidelines for religious education in the same way as she would issue guidelines for mathematics or science. The fact is, guidelines are there in the schools. They were put out by the minister many years ago. I have a copy here. They are very good, but somehow they got shelved. There is an approved list of prayers which are good. It also says above all that the Old Testament stories chosen are about men and women to whom God was a supreme reality. These guidelines are only for grade 8, whereas the act calls for religious education in the secondary schools as well.

**4:50 p.m.**

In this document called Program of Religious Education in the Public Schools, it states: "The religious and spiritual phase of education is a factor of great importance in the formation of individual character, thus contributing to a finer citizenship and a better world. The strength of a nation is the strength of the religious convictions of its people."

With solid statements like that, it makes me wonder why this document was set aside. It

certainly could not have been because of its content or the lack of commitment by the writer. It must have been the lackadaisical attitude taken on the subject by those of us in command.

I was told by Dr. Ron Watts, general secretary of the Baptist Convention of Ontario and Quebec, who spent some time in Communist China recently, that there is very little difference between the way we treat religion in Canada and the way it is treated in Communist China. We treat it lightly, set it on the shelf and do not give it any prominence. If we said to people on the street that we treat religion in this country quite similarly to the way they treat it in Communist China, most people would get upset with us, because even within this country we are looked on as a strong, religious country. That is not true any more because we have allowed religion to deteriorate for various reasons that have been mentioned.

Sometimes, principles do not have much of a chance these days because public pressure comes on so strong; therefore, we must try to make sure the public is always aware of principles. We must start by bringing back the respect and dedication we once had for religion and present it in our schools.

Romans 10:13 says, "God is there for everyone." Verse 14 says, "How can they believe in Him if they have never heard about Him, and how can they hear about Him unless someone tells them?"

The Bible tells us to tell others. If we believe in God, surely we want to do what he requests. Surely we believe in God or why do we pray to him each day at the opening of this Legislature?

Whether we present religion in the schools to help children find God or to have them learn Judaeo-Christian beliefs and moral standards, whatever the reason, we will be setting an example and instilling a respect for religion. Either way, the spinoff to our people, to our country and to society will be tremendously rewarding in attitude, stability and peace of mind of our people.

In stressful economic times, during sickness and the numerous other hardships we all face during our lifetime, we all need a strength beyond our own to help us succeed. We, in our day, had greater opportunities in this area than the children at present. It is up to us to turn around the erosion of the religious education in our school system and see that the other 70 per cent who do not attend church get some of the same opportunities as those who do.



There are many reasons we should put greater emphasis on religion and bring it back to the schools, but I have not much time to elaborate. I would like to mention one more reason.

Last week, an article in the *Globe and Mail* stated teenage suicides were up by 400 per cent in the last 15 years. There were 1,300 reported teenage suicides in Canada last year. Of course, there were many other unreported suicides.

Mrs. Syer, head of the 12-member study group, said the increased teenage suicides can be partly attributed to the increasing breakdown of the traditional family, the increase in divorce and single-parent families. More than half the suicides were from single-parent families. Something is happening to the family unit.

As a farmer, when I buy a tractor or a piece of equipment, I am given a manual by the manufacturer to consult so I can keep it running smoothly. The family was God's idea, his creation. He left us a manual, the Bible, to consult, to try to keep his creation running smoothly.

If by presenting religion in the schools we can encourage the student to read the Bible and attend a place of worship, we would be doing something.

Mr. Andrew Kniewasser, president of the Investment Dealers' Association of Canada, who was guest speaker at this year's annual Ontario Prayer Breakfast, said: "The bottom line in Canada's balance sheet is surely the quality of Canadians and our ability and opportunity to live constructively. Investments in the quality of our people—investments in encouraging Canadians to live constructively, humanely and meaningfully—are the best investments we can possibly make. The Bible clearly tells us how to become people of quality."

If one thinks the church is the only place to present religion, let us remember that only 30 per cent attend church today. Maybe we can bring it back to the 85 per cent the way it was when religion had a higher priority in the school system.

In preparing for this debate today, I have corresponded with, talked on the telephone with and met with the heads of many different religious groups here in Toronto and elsewhere. I have met with Father Fogarty and Rev. Ernie Johns of the Ecumenical Study Commission, who have been studying religion in public education since 1969 and who have made several presentations to the Minister of Education.

They are all supportive. I feel we need to help those in places of worship and full-time ministers by having respect for religion and encourag-

ing the students to attend the place of worship of their choice, creating some desire within the child to learn more about his spiritual life rather than taking a passive "It's someone else's job" attitude.

As Canadians who love our country, we all should do our part to get our religion back on track. It is now time we moved forward and ensured that religious education is a priority in our schools. Enough studies have been done; action should be taken. I am convinced, if our morals and spiritual values are in place, we are capable and ready to handle everything else that confronts us.

**Mr. Di Santo:** Mr. Speaker, I listened carefully to the member for Grey and I understand why he introduced this resolution in the House. I enjoy discussing the Bible with him quite often and thoroughly. As a matter of fact, just last night we had quite a lengthy discussion. It is a great pleasure. He often organizes meetings in the morning down in the dining room, giving an opportunity to the members, civil servants and other people to participate in reading the Bible. I commend him and I commend the religious fervour he showed when he was discussing his resolution.

However, I cannot support the resolution because, if one looks at the resolution, the very first line says "every child should have the opportunity of learning the Judaeo-Christian beliefs on which this country was founded."

This is probably unacceptable in a society such as ours where we have a pluralistic mix of people who do not belong to that tradition. Also, if we took that approach, we would deny a long tradition in modern society that goes back almost two and a half centuries to the Age of Reason with such eminent people as de Montesquieu, Diderot, Voltaire and John Locke.

I am sure the member for Grey has read that important booklet on tolerance, written by John Locke, in which he posits the foundations for what is a modern pluralistic society. Those people had to fight against a society in which religion and state were one thing, and the fact that the states were religious was the cause of immense conflicts and war in Europe. There was the Thirty Years War, the war between Spain and England and the war between Germany and Spain, all caused by the fact that one country was of one religious belief and the other country was of another religious belief. It was also a fact of life that religion was the main factor influencing the behaviour of the citizens

when they were acting as individuals in their societies.

**5 p.m.**

For this reason, the initiators of what became the *l'Encyclopédie* were the people who put down the foundations of what is now accepted, that state and religion must be separated. People in their private spheres can adhere to one or other religion, but as citizens of a country they cannot impose on other citizens their religious beliefs. I think this is fundamental to the point. I am sure the member for Grey (Mr. McKessock) will agree with me, that he will not accept what is happening in Iran where the Ayatollah Khomeini, on the basis of the same principle that the member for Grey is proposing in his resolution, is imposing a form of religious faith in Iran that it is unacceptable to our consciences as democratic citizens. We do believe we have the right to our religious beliefs as citizens. We have some democratic rights that cannot be denied to us only because we have different religious beliefs.

Apart from that, the member for Grey will realize that if we take his resolution to its extreme consequences it means we will really force the minorities, even though he tries to make the argument that it is not an imposition on them, to accept the principles of Judaeo-Christian beliefs they do not adhere to. I hope the member who produced the resolution will understand that today we live in a society in Canada, and I do recognize that those who founded this country came from the Judaeo-Christian tradition—but he must realize that before they came to this country there were people who lived here for many years, who do not share the same principles. Now, due to economic factors, due to the fact that Canada is a country of immigrants, as the member correctly stated, we have today in this country people of totally different religious beliefs. We have Muslims, Buddhists, Shintoists, Hindus, and agnostics and they are very much part of the fabric of this society today. I think they are entitled to have their beliefs respected, as we are entitled to have our beliefs respected.

If we do not take this approach, we are really reneging on a very important part of the evolution that has taken place in our society. Just last week, we celebrated the 20th anniversary of the Ontario Human Rights Code. In this perspective the Human Rights Code would have no right to exist, because we would force all minorities to accept our religious beliefs. I am personally very active in my parish, but I do not

think I can force the people of Downsview to attend my church, and I do not think that people of any other denomination can force other people to attend their churches.

The honourable member makes the point that the school is the place where behaviour is formed, because that covers the crucial age. He said only 30 per cent of the population attend church.

**The Acting Speaker:** One minute.

**Mr. Di Santo:** There are some people who come back at some point in time, but, he says, if we do not instil in their minds the beliefs that belong to the Judaeo-Christian tradition in schools, those people will be lost.

I would suggest it is also the responsibility of the families. We cannot say the failure of our society must be settled only on the school system. We cannot say that if children are not religious, if only 30 per cent of the population attend church, it is the fault of the school system. That is our fault; it is the fault of our society.

**The Acting Speaker:** The honourable member has used his time. Thank you.

**Mr. Williams:** Mr. Speaker, the resolution before us today can be deemed by some to be a sensitive issue. I think it is acknowledged by all to be of fundamental importance. Most will concede that it can be controversial in nature. For this reason many politicians will sidestep the issue, applying the old adage of keeping church and state apart.

One can accept that reasoning if we are talking about a specific church or a specific religious denomination. But that argument must surely fail if we talk of religion in the generic sense. In universal terms, I suggest that politics and religion are in fact inextricably intertwined.

One cannot argue with the fact that the laws enacted in a democratic society are basically designed to accomplish two objectives: first, to ensure that our people can live at peace in an orderly society; and second, to ensure that the orderly society recognizes as paramount the personal freedoms and rights of the individual.

Personal freedoms and rights are many, but they are incomplete unless they encompass and hold as sacrosanct the worth and self-esteem of the individual. The whole worth of the individual must be measured not only by social behaviour but in the context as well of his personal beliefs and sense of values.

The vast majority of the people in this world have their morals and values shaped and moulded



by religious conviction. This truism applies even to the majority of the world's population that resides in Communist-controlled nations where the state is deemed to be supreme and religion is not officially recognized.

Individual religious convictions are fed and nourished from two main sources, the church and the family. Outside the Communist world most free-world countries ensure reinforcement of individual basic morals and values founded on religious convictions through the state-supported school, where the maturing child spends a major part of his waking hours.

**5:10 p.m.**

The three greatest influences on the growing child within his living environment are the family, the church and his school environment. The importance of the school environment and the influence it can have on the child is not arguable, and the acknowledged need to complement the family and church teachings in the field of moral and social values is reflected in the government's present education policy.

That is what this resolution is all about. Mr. Speaker, I would like to lay before you some basic facts from which you can draw your own conclusions. The present board policy, as you know, is laid out under regulations, and subsections 28(1) and 29(1) of regulation 262 provide that a public school and a secondary school shall be opened or closed each school day with religious exercises consisting of the reading of the scriptures or other suitable readings and the repeating of the Lord's Prayer or other suitable prayers.

Section 28 provides that, in addition to religious exercises, two periods per week of one half hour each in addition to the time assigned to religious exercises at the opening or closing of a public school shall be devoted to religious education, with religious education being given immediately after the opening of a public school or immediately before the closing of the school in either the morning or the afternoon session. Instruction in religious education, as distinguished from religious exercises, shall be given by the teacher, and issues of a controversial or sectarian nature shall be avoided.

It would appear from this definition of the policy and practice of the board that technically one could suggest that section 235 is not in conflict with the basic principle as reflected in this administrative directive, because, while section 28 of the regulation deals with formal religious education, section 235 of the act deals only with the behaviour and the attitude of the

teacher towards his students in inculcating by precept and example the basic values contained in the Judaeo-Christian traditions.

While that may be technically correct, we have to realize that this resolution raises a question as to just how effectively religious exercises and religious education are being applied in the public and secondary school system. Of the 112 school boards within Ontario, there are only six or seven that have asked for exemption from providing religious instruction as provided for in the controversial clause referred to in the member's resolution, which states that the minister may grant to a board an exemption from the teaching of religious education in any classroom or school if the board requests in writing the exemption and submits a reason for its request.

In view of the fact that there have been in recent times only six or seven school boards which have, for various reasons, applied to the minister for the exemption, it would seem that the basic policy of the boards and the Ministry of Education remains intact. However, while the applications seem small in number, let us examine them for a moment.

The fact is that the vast majority of the applications that have been filed are seeking exemption for all of the schools within the jurisdiction of the given board. If one reads the exemption provision, I think one could fairly conclude that the right to claim exemption would normally be applied towards a specific classroom or a specific school. That is the way the controversial subclause 15 reads. Yet 90 per cent of those boards that have applied have asked for blanket exemption.

In 1980-81 and 1981-82, two school boards within the province applied for exemption for a specific school and for specific reasons. Those were the Ottawa Board of Education, which applied on behalf of the Ecole Francojeunesse in Ottawa, and Pinard area board of education, which asked for exemption for one specific school, the Fraserdale Public School, on behalf of its teachers.

In the city of Toronto, we have the City of Toronto Board of Education and we have the North York Board of Education, which have received blanket exemption for some period of time—the reasons for which I do not have time to go into today—and when we put those together with the blanket exemptions that have been granted to the Brant, Bruce and Hastings boards, the number of students affected in the blanket exemption totals some 112,000 students



out of the 800,000 elementary students in Ontario today. That is, one out of every eight students is not receiving the religious instruction directed under board policy.

In conclusion, I have to say on that basis that, given all of these facts, on balance I believe the principles of the resolution are indeed supportable.

**Mr. Sweeney:** Mr. Speaker, it is a common saying in our society that if you want to avoid any arguments when you are talking with your friends, neighbours and family, then the two issues you avoid are politics and religion.

It seems to be that whenever people talk about these two things they are bound to get into an argument. Therefore, I have to compliment my colleague the member for Grey for introducing the subject of religious education into this political forum. If there was any thought that it could be done peacefully, easily or without some very strong disagreement, that is a very naïve thought indeed.

Yet what better place, because each of us in this forum, each of the 125 of us who sit in this Legislature, represents outside this building a broad section of the population. I am certain that within my riding, as within the riding of the member for Grey and within the riding of every other member of this Legislature, there would be those constituents who would strongly support this resolution, there would be those constituents who would equally strongly reject this resolution and there is probably, as always, a broad middle ground that really could not care much one way or the other.

This is the place and this is the time this Thursday afternoon when private members have the privilege and the right to bring on the floor of this Legislature issues such as this; not because we necessarily know or even believe that everyone is going to agree with us but because it is an issue that deserves to be discussed.

**5:20 p.m.**

I want to make very sure that my colleagues appreciate exactly what it is the member for Grey is asking. He is not denying the right of individual students or the parents of those students for exemption with respect to religious education in a school. That is not the issue here. That right to exempt themselves or to be exempted by their parents stands. He is not asking that the individual right of teachers to exempt themselves from having to teach reli-

gion in any public school of this province be tampered with. That is not the issue.

There is only one issue in this resolution. That is contained in the fourth last line of it and it is that the present exemption to boards be repealed. That is all we are talking about. At the present time, as the member for Oriole just pointed out, individual school boards in this province can request the right to have the entire board exempted.

I want to suggest to members that there are two kinds of tyrannies. The member for Downsview spoke to one quite eloquently. There is the tyranny of forcing students to participate. There is the tyranny of forcing teachers to teach something that is against their conscience. That is one kind, but there is another that we sometimes forget. That is the tyranny of denying them the opportunity to participate. That is what we are talking about here.

When a school board applies and gets permission in a blanket way to deny the opportunity to every student, every teacher, every school, I would say that is an equal tyranny and should not happen. We are protecting the rights of students, parents and teachers under the existing legislation for those who do not want to participate, who in conscience cannot participate, but do we also not have the responsibility to protect the rights, the equal rights of those who do wish to participate? That is what is at stake in this resolution. That is why I support my colleague the member for Grey.

Quite frankly, I think the public schools of this province have been given an absolutely impossible task because of the wide range of students they are expected to teach. The wide range of beliefs and nonbeliefs in the homes the students come from requires the public schools of this province to do a job that in my judgement simply cannot be done.

On one end of the spectrum we have those parents who are actually hostile to the teaching of religion, and that is their right. I may not agree with them but that is their right in our pluralistic democratic society.

On the other end of the spectrum we have many of the fundamentalist Christian communities that feel very strongly that religion is at the very core of their lives and they want it at the very core of their children's lives. That is equally their right, and we have everything in between.

I do not know how any school, school board or classroom teacher can possibly meet that



broad range. That is why from the year 1816, when the first provision to have religious education in the schools of Ontario was brought in, we have had turmoil in the public schools of this province with respect to this issue. I suspect we are always going to have turmoil.

As a matter of fact, in the 1840s when Egerton Ryerson was the superintendent of public schools in Ontario, he pointed out that despite the fact there was already a requirement dating back to 1816, not one school in 10 and perhaps not one in 20 was actually carrying that out. In 1944, the present regulations were put into place. From the very moment they were introduced into this Legislature by the then Conservative Premier George Drew, there was reaction. There was reaction from politicians, from parents, from clergyman of all faiths as to whether it was desirable, such that in 1969 the Honourable John Keiller MacKay, who was the former Lieutenant Governor of this province, was asked to present a report dealing with the whole issue of religion in the public schools of this province.

His report is really interesting because it points out that in his mind it probably cannot be done. He gave all the reasons that have been discussed and which I have touched on myself. He pointed out that in his judgement the only thing we could do in the public schools of this province was to teach some kind of values education, values we were supposed to pull out of the minds of our students. How they were supposed to get in there in the first place, I honestly do not know.

Basically, that was the recommendation of this report. At the end there was a whole series of recommendations. The first one said we should abolish the teaching of religious education in the schools as it then existed. Second, it said the schools have a responsibility to inculcate values, principles and morals. How it was to be done, I do not know. In another recommendation, it said that if one did teach religion in the school the students should be given a credit in history for it. There is such a thing as the history of religion, but religious education is not history. That has been the problem in this province.

I should also point out that when this report was introduced in the Ontario Legislature by the then Minister of Education, the present Premier (Mr. Davis), he indicated he was impressed by the content of the report and he said, "We will undertake immediately the consideration of its proposals."

That was 13 years ago. I suggest that nothing has been done in 13 years about this report, to

the best of my knowledge. If we have a problem with respect to the teaching of religious education in the schools, a lot of that problem rests right here in this Legislature. We have known it is a problem, we have known the difficulties, we have known of the broad range and even the contradictory nature of the interests of the people, and yet the government of this province, although it commissioned this report, has, as with so many other reports, done nothing about it.

It is one of those situations where it sticks there, it festers and people get angry and frustrated. Quite frankly, it is not surprising, even though I disagree with it, that many of the school boards in this province would take the route of saying: "Let us get rid of it completely. Let us get rid of that problem because even the government itself does not seem to be prepared to deal with it."

I do not know how we are going to deal with it, but I think it is a legitimate area of discussion. I think the young people in our province do need a sense of values and a sense of morality.

My colleague from Grey spoke of suicide. All of us know of the increase in turmoil and violence our young people are going through. They need some kind of assistance. Whether they are going to get it through the schools, I do not know. I do know that many of the families of this province from which these children come are in turmoil themselves and they need some support as well.

**Mr. Cassidy:** Mr. Speaker, I welcome the chance to debate this in these tough economic times, because I think it is desirable, none the less, that from time to time we look at some questions which, as the previous speaker said, the Legislature and the government have tended to put to one side in the interests of avoiding controversy.

I am going to oppose the resolution, but I speak as someone who is a regular member of my church. I have been a lay preacher. In the past year I have been a regular member of the church choir and a number of things like that. I am not unfamiliar with what happens within churches, nor am I unconcerned about the need for moral education and a familiarity with education.

I congratulate the people who have come to see this debate for it is seldom we have the pleasure of participating at a private member's hour. However, I would say to the House, to the member proposing this and also to his friends, the facts are that the question of religious



education in the schools has either been dealt with in a way of exploitation by the government, or else it has tried to sweep it under the carpet in the hope that, because of the controversies connected with it, it would somehow go away.

**5:30 p.m.**

One of the things that sparked this debate was the edict that came from the Minister of Education (Miss Stephenson) a year or two ago that henceforth we would have to get back to having the Lord's Prayer said in the schools. This would be a means of ensuring that children who go through the school system somehow come out churched. I am not sure it is going to happen, given the fact that only 30 per cent of the parents are now active participants in the churches, as the member's own resolution indicates.

I would suggest if that is a failure of the school system, and perhaps it is, that we load a great deal on the school system, when what is happening has something to do with society as a whole.

I am familiar with Quebec and I have a Catholic church in my riding which 20 years ago, sharing the values of Quebec and having French Catholics participating, heard confessions from morning until night on Saturdays and had six or seven masses on Sundays. Today, the confessional is open for perhaps an hour and a half a week and there are only one or two masses on Sundays.

That is not for the lack of religious instruction because it was widespread among the people in their youth. They have fallen away because of secular realities, social changes, changes in values and the kinds of things we have to accept are there. We may deplore them but we will not change them by one simple resolution such as the one here.

My kids went to the Elgin Street School in Ottawa Centre. There, when the kids wish everybody a happy Christmas, they do it in about 33 different languages. That is a reality in Ottawa, it is a reality in Toronto and it is a reality in many other downtown schools across the province.

In North York a third or more of the population are of the Jewish faith. They do not consider themselves to have a Christian heritage because they came before it and in fact contributed to it. These are realities as well.

What I want to point out is that this foofaraw over the Lord's Prayer began not because school boards were abandoning religious observance but because of the very well-meant, well-intentioned and carefully thought-through

effort of the Toronto Board of Education, two years ago, to restore religious observances in the elementary schools of the city.

Leaders of the major religious groups—some 20 groups—a number of social groups and representatives of student councils, were convened to advise the board. The board decided that in every school there should be the national anthem, O Canada, and an appropriate reading to be followed by a prayer which would take the form of a one-minute silent meditation.

I happen to find that a very effective form of prayer. I have used it as a lay preacher. I think probably everybody in this room who has prayed knows that silent prayer is often the best kind of prayer. But the Minister of Education deemed, without consulting any religious people, that was not enough. She was going to come along and make people say the Lord's Prayer.

I was interested to read a background paper that was distributed to senior officials within the Ministry of Education on March 4, by the Deputy Minister of Education, Mr. Fisher, in 1980. Quite specifically it said, in talking about what happened, that in the first place, prior to 1944 we did not have religious observances or religious instruction in the public schools. It only came in with George Drew in 1944, perhaps in response to some of the changes in values: people were hoping that something might get shored up.

The report said the legislation in 1944 was quickly implemented, but was in general disuse by the end of the 1950s. The bible stories were said to be Protestant and were unsatisfactory to people who did not consider themselves Protestants. The clergymen, generally, turned out to be unsuccessful as teachers. It was stigmatizing, and this is the ministry's own words, "to excuse children from participation. It was stigmatizing to make them stand outside while religious observances were held."

The member's resolution says: "Let us get back to section 50 of the Education Act." That section says, "(1) Subject to the regulations, a pupil shall be allowed to receive such religious instruction as his parent or guardian desires or, if the pupil is an adult, as he desires."

If one believes, as I do, that we should ask our children to do as we do and not just as we say, particularly when it comes to religion, it is very clear from the figures the member himself has offered that 70 per cent of the parents of children in our schools today are not keen on any kind of religious or moral education in



schools, because they do not go to church themselves. That is a sad fact, but a fact.

The question we have to ask is, what are we going to do about it? I suggest that imposing religious instruction, making people listen to the Lord's Prayer, doing it by rote, which Jesus would not have accepted—in fact, He fought against religion by rote—is certainly not the way to do anything except to turn kids off organized religion even more decisively than they are being turned off today.

This province has suffered very seriously over the chicken-hearted approach of the Ontario government and its failure to accept—in the spirit in which it was offered—the Keiller Mackay report of 1969, and to put it into practice. The only part that was put into practice was the proposal for a course in world religions in grades 12 and 13 or 11 and 12. Some 4,000 students across the province were taking advantage of that as of 1977. The number has been declining.

In terms of having a sense of moral education and moral values going through every aspect of the curriculum, the government has had series after series of studies and research and that sort of thing, but it has been too chicken-hearted to try to do anything about looking at what we need. It is not the Lord's Prayer. It is to understand, among other things, how kids develop moral values. Some of the research done for the ministry itself suggests the development of moral values in children is very similar, whether the child is a Protestant, Catholic, Jew, Hindu or Buddhist. It is not the brand or style of religion. The moral values taught by the great religions that are represented in our province are essentially the same.

One of the things the research done for the ministry indicates—that I have been able to look at—is that if schools are to inculcate moral values, the teachers must have a sense of what those moral values shall be. Obviously moral values lie at the heart of religion, however a person chooses to exercise his religious observance when he grows up. If there is confusion about moral values and a failure to include that with every aspect of the curriculum, it may well be because the teachers and the principals in the school system as a whole have not sought to think that question through.

If we want to see a reintegration of religious values in the school curriculum, which should include some study of what religious values and the religions of the world are all about, we have to start not with the kids, not with an extra half

hour of religious instruction, but by looking at the system as a whole. We must look at how the teachers themselves are being formed and what kind of values they think are important. If they have no values they think are important they are not going to pass them on. It is hypocrisy to ask teachers who may not have much faith themselves—I suspect 70 per cent of them are also nonparticipants in organized religion—to say: "I do not go to church. I think that is a bunch of hogwash, but I want you to know about the Lord's Prayer."

The religion of Jesus was a forceful, dynamic and revolutionary religion. Jesus brought a message that in this Legislature would be extremely uncomfortable to the people on the government side. He talked about concern for the poor. He talked about equality. He talked about bringing the kingdom of heaven on this earth and not taking it away. We have a government that is moving us away from that. If we want to have the values of Jesus taught in the schools perhaps we had better go a great deal further than just uttering the Lord's Prayer from time to time. Perhaps we had better talk very fundamentally about what the values are on which we run this province. Many of those values are determined by us here in this Legislature.

Thank you.

**5:40 p.m.**

**The Deputy Speaker:** You have approximately five and a half minutes.

**Mr. J. M. Johnson:** Mr. Speaker, I rise to support the resolution by the member for Grey (Mr. McKessock), and I strongly support it because I believe in the principle the member has set out.

I am terribly disturbed at the comments of the member for Ottawa Centre, but I am not surprised.

**Mr. Cassidy:** Why are you disturbed?

**Mr. J. M. Johnson:** "Values choice." Talk about hypocritical actions. How can the member for Ottawa Centre come in here at the opening of the session on the occasions when he does attend and repeat the Lord's Prayer? We do it every day. I find it offensive that he should sit here, and yet he criticizes the use of the Lord's Prayer in the schools.

**Mr. McClellan:** Are you casting the first stone?

**Mr. Cassidy:** On a point of privilege, Mr. Speaker: I am not sure what on earth the member is on about. I happen to come in here

on occasion for the prayers and say the Lord's Prayer with other people from time to time. I have led religious services where I have led the Lord's Prayer. I am not sure what on earth the member is saying. This does not mean I believe that the Lord's Prayer—

**The Deputy Speaker:** Order. The member has had his full sufficient time. Speaking to the resolution.

**Mr. J. M. Johnson:** Speaking to the resolution, I would like to remind the members of the Legislature and the people in the gallery of the fact that when the Toronto Board of Education a few years ago decided to drop the reading of the Lord's Prayer from their daily curriculum—

**Mr. Cassidy:** They had not been doing it for 20 years, and the government never raised a finger.

**The Deputy Speaker:** Order. Order. Allow the member the opportunity to use his time.

**Mr. J. M. Johnson:** Both the Premier (Mr. Davis) and the Minister of Education (Miss Stephenson) refused to allow the board to drop this practice. In September 1979 the Premier made the following statement:

"I believe the people of Ontario and the people of Canada do share some common strands of culture and identity which are not an unfair imposition on the culture, heritage and freedom of many who have come to our country as a matter of choice and who have justifiable pride in their cultural heritage. The Lord's Prayer is an important part of the values that shape our society, and it could in fact be continued in the school system without at all threatening a society which makes tolerance, freedom and cultural diversity basic tenets."

The Toronto Board of Education wished to replace the Lord's Prayer with a minute of silent meditation and reflection.

**Mr. Cassidy:** Are you against that?

**The Deputy Speaker:** Order.

**Mr. J. M. Johnson:** I happen to be a member of the United Church. My son is an Anglican priest, and he is married to a Quaker. And the Quakers believe in silent meditation. She was also a teacher in the Toronto school system and was very offended when the first enactment came through that she was denied the right to repeat the Lord's Prayer in her school. She felt strongly against it. She had the benefit of both sides, and she felt that something was missing.

Those students deserve the opportunity to learn something about religion. If 70 per cent of

the school children never receive any religious teaching at home surely we would be less than fair if we did not give them some opportunity to learn something about the religions of this world in the schools.

I asked the library research people to give me some information on the religious denominations in Ontario, and there are 27 different religious affiliations in this province. There is also a class called "others" and one called "no religion," so I would say there are 29. I feel that we could do a service to our society if we were to teach our young people more about the religious beliefs of others, not just our own.

I would just like to make one comment in relation to an article that appeared in the Toronto Star last Saturday. I forget the headline, but it was something like Teachers Punched Out. It mentioned that one study concluded that an average teacher only stood the chance of being beaten up once every 6.7 years. Once every seven years a teacher would receive a pounding at the hands of students. They thought that was acceptable. I find it totally offensive.

In conclusion, I would like to quote from Edmund Burke, "The only thing necessary for the triumph of evil is for good men to do nothing."

**Mr. McKessock:** Mr. Speaker, I want to thank the members who took part in this debate. My colleague for Kitchener-Wilmot mentioned that part of the resolution was that school boards should not be able to ask for exemption. That is true, but there is one other part to the resolution and that is that we should be adhering to the present act, which calls for one hour of religious education in the schools per week.

The member for Ottawa Centre says this one resolution will not change anything so he is not going to support it. I would suggest he might decide to vote for it and show that the Legislature has some concern and really wants something done.

I enjoyed the remarks of the member for Downsview, but he talked about forcing our beliefs on others. The resolution is directed to the 70 per cent who do not attend church. On Sunday they can attend the church of their choice, so I do not feel we are forcing anyone.

Interjections.

**Mr. Speaker:** Order. I would ask the co-operation of all honourable members not to conduct their private conversations in the chamber, please.



**Mr. McKessock:** I agree that changes should be made to the regulations but I also agree with Dr. Robin Smith of the United Church of Canada who said to me, "You cannot separate religion from education or you are leaving the door open to other philosophies, such as atheism."

There is no reason why every student in Ontario should not become familiar with the scriptures which, more than any other factor, have influenced the development of our western government and society. Teaching of moral values is fine, but teaching moral values only, so says Dr. Ron Watts, "Is like trying to get the fruit without the root."

In a letter on June 4 to the Minister of Education supporting this resolution, Grace United Church, Thornbury, says, "Recognizing that beliefs and morals cannot be legislated, we feel, however, that well-presented exposure in schools to Judaeo-Christian beliefs can effect a considerable positive impact on the lives of the young people who might otherwise have no contact with these concepts."

A letter to the Minister of Education from Rev. Gould of the Christian and Missionary Alliance Church, Burlington, states, "The home has the first responsibility in the instruction of children, but today many parents openly admit they have no 'ethics' to live by, and take the approach that children should decide for themselves. The problem is more acute in light of the fact that many children are never placed in the context of a church to be exposed to the Judaeo-Christian principles. If the school board has the right to exemption, many children are deprived of ever receiving exposure to Biblical principles so that they at least have the opportunity to consider and evaluate."

I have a letter of support from school trustee, Gordon Houghton of Elgin county, where religious education takes place very enthusiastically right now. Mr. Houghton and 15 other supporters are here today.

A letter from a family in Picton says, "We have three children, all in Christian day school. We chose this route as no other option was open to us as a means of achieving the very thing your resolution seeks."

There seems to be widespread support from the public at large for religious education. The question seems to be how to do it and what is the best way? I believe there are dozens of appropriate ways we could do it and we should get on with it. I want to encourage the members to vote

for this resolution and I hope steps will be taken to put more emphasis on religious education.

**5:50 p.m.**

I also want to thank the singing group that came here today. I hope all the members got a chance to hear them. If they did not they really missed something. I heard somebody say it would be great if they were here every day because it would really give a lift to this place.

If we put more emphasis on religious education I hope this in turn may create enough interest in students in spiritual things to lead them to the place of worship of their choice in the community, and ultimately lead them to God where they will find the blessing, wisdom and strength to help them to be good and moral citizens of this great country.

### LIQUOR CONTROL AMENDMENT ACT

The House divided on Mr. Samis's motion for second reading of Bill 126, which was negatived on the following vote:

#### Ayes

Bernier, Boudria, Cassidy, Charlton, Conway, Di Santo, Edighoffer, Harris, Hennessy, Kerrio, Laughren, MacDonald, Miller, G. I., Newman, Nixon, Renwick, Roy, Ruston, Samis, Snow, Spensieri, Wrye.

#### Nays

Ashe, Baetz, Barlow, Birch, Brandt, Breaugh, Cousens, Cureatz, Dean, Eaton, Elgie, Eves, Fish, Gregory, Haggerty, Havrot, Henderson, Hodgson, Johnson, J. M., Johnston, R. F., Jones, Kells, Kerr, Kolyn, Lane, Leluk, MacQuarrie, Mackenzie, Martel, McCaffrey, McCague, McClellan, McGuigan, McKessock, McLean, McMurtry, McNeil, Miller, F. S., Mitchell;

Norton, Pollock, Ramsay, Robinson, Rotenberg, Scrivener, Sterling, Stevenson, K. R., Stokes, Sweeney, Taylor, G. W., Timbrell, Treleaven, Villeneuve, Walker, Williams, Wiseman.

Ayes 22; nays 56.

**6 p.m.**

**Mr. Conway:** A point of order, Mr. Speaker: I thought the rule was that once the bells had ceased ringing and the doors were locked, all honourable members in the chamber had an obligation to vote "Aye" or "Nay." The Attorney General (Mr. McMurtry) has just escaped through your chambers. I draw that to your attention.

**Mr. Speaker:** Thank you very much. I would like to advise the member for Renfrew North

that nothing is out of order. We have disposed of ballot item No. 20 and now we shall deal with ballot item No. 21.

**Mr. Nixon:** On a point of order: It has never been made clear before—

**Mr. Speaker:** It is now.

**Mr. Nixon:** —that any member could leave this chamber after the bells had stopped and the doors were locked. If it is now, you are setting a precedent and it should be clearly understood it is a precedent.

**Mr. Speaker:** On the point of order, the member for Brant-Oxford-Norfolk is out of order. The vote has been disposed of. It has been taken. The motion has been declared lost. Now we are dealing—

**Mr. Nixon:** For the first time.

**Mr. Speaker:** Order. It is indeed not. I have treated all private members' ballots and resolutions in exactly the same way. We will now deal with ballot item No. 21, a notice of motion standing in the name of Mr. McKessock. Any member opposed to this matter coming to a vote will please now rise. Is it the pleasure of the House that the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

May I ask the concurrence of the House to assume the bells have rung and all members stay in their places?

**Mr. Nixon:** This is a precedent.

**Mr. Speaker:** Yes, it is.

**Mr. Roy:** Can I still make it out of here?

**Mr. Speaker:** No. Well, yes, you may because the bells really have not rung.

**Mr. Conway:** On that point—

**Mr. Speaker:** No, I will listen to you.

**Mr. Conway:** I want to be very clear in my mind. In my seven years here I have always operated on the principle that once these doors were locked and members were in the chamber, I did not have the right to escape a vote by virtue of departing the scene through your chamber. I do not want to leave here this evening, sir, without being clear in my mind on that point. Do I understand your earlier ruling to indicate that you are giving me the opportunity that from this day forward I can come in here and once the bells have ceased ringing, escape through your doors to avoid a vote?

**Mr. Speaker:** Just so there will not be any doubt or misunderstanding in the minds of any

of the members, we are dealing, and I have always dealt this way, with separate ballot items for the express purpose of allowing those members who may not want to vote on a given item the chance to exit from the chambers. That is the specific reason—

**Mr. Ruston:** The doors are still locked.

**Mr. Speaker:** I asked the concurrence of the House to assume the bells had rung and we would count the number of people who are here now. That was given.

**Mr. Nixon:** That is the first time you have ever done that.

**Mr. Speaker:** Yes, it is, because we have always rung the bells separately.

**Mr. Nixon:** No way.

**Mr. Speaker:** Yes, we have. I am not going to argue with you. I am telling you the way it is.

**Mr. Cassidy:** On a point of order, Mr. Speaker: I would like to draw to your attention that when the Attorney General came in he presumably must have come in for the first vote. Surely, if the rule is to allow somebody to leave the chamber after the first vote in private members' hour, that is not what occurred in this case. The Attorney General apparently came in and then changed his mind. Are you now ruling a member can change his mind like that?

**Mr. R. F. Johnston:** Mr. Speaker, on the point of order, this is in no way to challenge your ruling, but I would draw to your attention that on a number of occasions I have arrived late for the first vote and have not been able to get in afterwards for a vote because the doors were locked. I just draw that to your attention, although I am not arguing with your ruling now.

**Mr. Speaker:** That is quite true, but you have always been able to come in for the second vote if you are—

**Some hon. members:** No.

**Mr. Ruston:** You cannot. The doors are locked. The doors are locked now.

**Mr. Speaker:** Call in the members.

6:10 p.m.

## RELIGIOUS EDUCATION

The House divided on Mr. McKessock's motion of resolution 23, which was agreed to on the following vote:

### Ayes

Ashe, Baetz, Barlow, Bernier, Birch, Brandt, Cousens, Cureatz, Dean, Eaton, Edighoffer, Elgie, Eves, Gregory, Haggerty, Havrot, Hen-



derson, Hennessy, Hodgson, Johnson, J. M., Jones, Kerr, Kolyn, Lane, Leluk, MacQuarrie, McCaffrey, McCague, McGuigan, McKessock, McLean, McNeil, Miller, F. S., Miller, G. I., Mitchell;

Newman, Norton, Pollock, Ramsay, Robinson, Runciman, Ruston, Scrivener, Snow, Spensieri, Sterling, Stevenson, K. R., Stokes, Sweeney, Taylor, G. W., Timbrell, Treleaven, Villeneuve, Walker, Williams, Wiseman.

#### Nays

Boudria, Breaugh, Cassidy, Charlton, Conway, Di Santo, Fish, Harris, Johnston, R. F., Kells, Kerrio, Laughren, MacDonald, Mackenzie, Martel, McClellan, Nixon, Renwick, Rotenberg, Roy, Samis, Wrye.

Ayes 56; nays 22.

#### BUSINESS OF THE HOUSE

**Hon. Mr. Gregory:** Mr. Speaker, I would like to indicate the business of the House for Friday and next week.

Tonight, with the agreement of the opposi-

tion House leaders, we will do third readings on today's Order Paper.

Tomorrow, we will call any additional third readings appearing on tomorrow's Order Paper; we will have municipal affairs bills in the following order: 12, 13, 15, 92, 62, 11, 29 and 119.

On Monday, June 28, in the afternoon and evening we will provide time to complete second reading of Bill 127 if it is not completed tonight; then second reading and committee of the whole House on Bills 5, 21, 143 and 120; then second reading and committee of the whole House on Bills 124 and 38.

On Tuesday, June 29, in the afternoon and evening we will have second reading and committee of the whole House on Bill 105, followed by legislation not completed on Monday.

On Wednesday, June 30, in the afternoon we will have second reading of Bills 142 and 138, with committee of the whole House on Bill 142 if there is time. The House will adjourn at 6 p.m. and not sit Thursday or Friday.

The House recessed at 6:15 p.m.

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No. 88

Ontario: LEGISLATIVE ASSEMBLY

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Thursday, June 24, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Thursday, June 24, 1982

The House resumed at 8:15 p.m.

## ONTARIO UNCONDITIONAL GRANTS AMENDMENT ACT

Hon. Mr. Gregory moved, on behalf of Hon. Mr. Bennett, third reading of Bill 28, An Act to amend the Ontario Unconditional Grants Act.

**Mr. Epp:** Mr. Speaker, I want to speak on this bill for a few minutes. I am glad to see it coming up for third reading but I have certain reservations about it. As the members know, and as we expressed strongly during second reading, there is a particular provision whereby the municipalities which do not have a regional police force, and there are many of those in Ontario, only receive \$12 on a per capita basis, whereas municipalities that have a regional police force will receive \$17 on a per capita basis.

One would have great difficulty trying to rationalize this. Take some small municipalities such as Wellesley, Woolwich, North Dumfries, South Dumfries and Palmerston, large municipalities such as Lindsay and Kingston, and still larger municipalities such as London, Windsor, Ottawa, Kanata, Nepean, etc.

All these municipalities receive \$12 per capita, and yet when we look at other cities we find—I have to backtrack there a little. Some smaller municipalities such as Wellesley and Woolwich receive \$17, and other small municipalities such as Palmerston, Lindsay and so forth, receive \$12.

In the larger municipalities, we find that cities like London, Windsor, Kingston and Ottawa receive \$12 while other cities such as Waterloo, Hamilton, Metropolitan Toronto, Sudbury and any city that happens to be a region receives \$17.

If we tried to be consistent with all the regions, we could say all the cities in regions should receive \$17. But that is not true. The city of Ottawa is in a region but it does not receive \$17; it receives \$12. There does not seem to be any rhyme or reason to this method.

As I pointed out during second reading, the total amount of money that goes to the municipalities for policing purposes is about \$112 million. For an additional \$12.4 million, all of them could receive the \$17 on a per capita basis.

Yesterday, when this matter came up in the standing committee on general government—this is important and I beg any member to correct me on this or any member to get up and say he is opposed to it—all the members agreed it should be \$17. At that time, I put forward two amendments which would have corrected this discrepancy and this discrimination against many municipalities in the province. Unfortunately, the chairman ruled them out of order, because he stated that only a minister can bring forth a money-spending bill.

**8:20 p.m.**

I accept that, and what we would very much like to do—and we gave the committee the opportunity—would be to come back next week and have the minister make an amendment, which certainly all of us would have agreed with, in order that this anomaly, this discriminatory practice by the government of the day, would be eradicated from the books of this province and they could hold their heads high again with respect to this matter.

Unfortunately, that was not the case; they voted against it.

Mr. Speaker, I do not know what to do. Maybe you can give me some direction and indicate how a city like Peterborough, which you represent, could be treated as fairly as the townships of Wellesley or Woolwich, or the cities of Hamilton, St. Catharines, Thorold or Brampton, represented by the Premier (Mr. Davis), or Niagara-on-the-Lake, represented by the Deputy Premier (Mr. Welch). All these get \$17, yet they discriminate against the city you represent, Peterborough. I just do not quite understand that. Even the city the chief government whip represents, Mississauga, gets \$17. There is no rhyme or reason to this discrepancy.

**Hon. Mr. Gregory:** On a point of order, Mr. Speaker: For the record, the city of Mississauga is part of a region.

**Mr. Ruston:** That is what he said.

**Hon. Mr. Gregory:** He was referring to the city getting a different grant.

**Mr. Epp:** I am sorry. I missed that. Mississauga is in the region of Peel, and they get \$17 per capita.

**Mr. Ruston:** That's what he said.

**An hon. member:** In comparison with Peterborough.

**Mr. Epp:** In comparison. Mr. Speaker, I wish you could give me some kind of advice as to how I can get the government to see this discriminatory practice clearly and indicate how we can correct it. You would really solve a lot of problems in this province if you could do that and if you could speak to those people over there.

I find it difficult. I see the Minister of Revenue (Mr. Ashe), and he used to be mayor of the city of Pickering.

**Hon. Mr. Ashe:** Town.

**Mr. Epp:** Town of Pickering. I am sorry. They get \$17; they are in Durham region. I do not see him complaining. I am from a region where all the municipalities get \$17. I am quite happy with that, but I feel that the other municipalities that are being short-changed on this grant should get \$17.

The interesting thing is, and I want to finish with this, all the members of that committee, comprising seven Conservatives, two New Democratic members and three Liberals, not necessarily in that order, support \$17 per capita. They all support equality.

**Mr. Breagh:** Mr. Speaker, I want to make one or two brief remarks on the bill. We have had a full debate on this, lots of indications as to where the parties stand on it and the division on second reading. But I did think it was worth while to report to the House that in committee there was clear consensus that the provisions of this bill are wrong; that there is an inequity which was identified for the committee from communities as far away as Hammertown, Michipicoten and Ottawa. Big and small, in different situations, all agreed that there is a wrongness in all of this; that this is an occasion where one day a year, when the government hands out the grant money, it decides there is a difference between big and small, yet on the other 364 days it works very hard to eliminate those differences. That consensus was crystal clear.

The bill is before us tonight for third reading and will not get an extensive debate on our part, even though the wrongness that is in the bill is every bit as bitter to us as it was when we had the second reading. I am convinced by the undertaking given to the committee by the member for Wilson Heights (Mr. Rotenberg), who is the parliamentary assistant, that the government

itself admits there was wrongness, inequity and unfairness in this bill and will take steps to rectify that, and that we will not see another bill of this nature before this Legislature. The undertaking was made very clear in committee that the government has internal committees working on it and that the ministries involved are attempting to resolve the matter.

The argument was put forward that this was the best the government could do under the present circumstances, that it was slightly better than its feeble efforts in the past and that we will never again see legislation put before us like this legislation, which has built into it something that all members on that committee, from all political parties, and virtually everybody who came before the committee, agreed made it a wrong-headed piece of legislation. They admitted it.

In the spirit of friendliness and co-operation that we have in this caucus always, we will not extend the debate this evening. We have made our points rather clearly, and we anticipate some fairness, for once, on the part of the government, when the next round of financial negotiations is concluded.

**Mr. Roy:** Mr. Speaker, one cannot allow third reading of this bill without repeating again, some may say ad nauseam, the embarrassing situation that those of us in Ottawa-Carleton, and in your case, Mr. Speaker, in the great city of Peterborough, are experiencing in not getting a fair share of grants. I know you must be restrained and neutral in this debate, but you can rest assured that those of us on this side will say a few kind things on your behalf for the city of Peterborough in that we think they are not getting a fair shake by not getting their \$17 in policing grants; and we see no good reason for this.

As I look at my colleagues across the way I can see a look of embarrassment on all their faces, including that of the Minister of Education (Miss Stephenson)—

**Mr. Kerrio:** That's a look of embarrassment all right.

**Mr. Breithaupt:** All 17 of them are embarrassed.

**Hon. Miss Stephenson:** Which is better than the eight of you.

**Mr. Roy:** I can see it. I know they are awfully quiet. Mr. Speaker, I am sure you will not object to this. I can indicate on your behalf, for the record, the look of concern and embarrassment worn by the caucus members of the Conserva-



tive Party about this very unfair legislation. In fact, I can say, again for the record, that I see the Solicitor General (Mr. G. W. Taylor) sitting there with his face drooping and his head down.

**Mr. Bradley:** Are you sure that is the Solicitor General?

**Mr. Roy:** That is the Solicitor General.

**Mr. Bradley:** It is not a high-profile issue.

**Mr. Roy:** That is right. It is not a high-profile issue; it is an embarrassing issue and here he is having to defend that. It is not fair that a new Solicitor General should be faced with a situation of having to tell certain municipalities that because they have retained their own police forces they can only get \$11, is it?

**Hon. G. W. Taylor:** It's \$12.

**Mr. Roy:** Twelve dollars. The other regions—  
Interjection.

**Mr. Roy:** The Minister of Education should congratulate me when I am wrong, because if I am wrong I would be on the same side as she is most of the time.

**Hon. Miss Stephenson:** You could not be in a better place.

**Mr. Roy:** I intend to be brief and not overly provocative, but I am glad to hear that the government is at long last reconsidering this.

The biggest irony of all, Mr. Speaker—I know you will join with me in finding it difficult to understand this—is that I thought when the Minister of Municipal Affairs and Housing, the member for Ottawa South (Mr. Bennett), took over—after all, he is the sponsor of this bill—that as an Ottawa member he would not tolerate seeing Ottawa-Carleton being the only region in the province not to get \$17 a head for policing in Ontario.

I thought, "With Claude as the Minister of Municipal Affairs and Housing and representing an Ottawa riding, he will not tolerate this—not Claude; he is going to fight for Ottawa-Carleton." The record should show my great disappointment that on all occasions, on first, second and third reading, the member for Ottawa South was not even here. I know that it is embarrassing but he was not even here to support his own bill. I can understand that is embarrassing.

**8:30 p.m.**

Without wanting to prolong this debate unduly, it is unconscionable on the part of this government to consistently—did I say something wrong?

**Mr. Speaker:** No.

**Mr. Roy:** I did not call him hypocritical, I said unconscionable. It is unconscionable on the part of the government to tolerate a situation where it is trying to make certain municipalities second class citizens by giving them only \$12 instead of the \$17 they deserve. As the representative for Ottawa East and on your behalf, Mr. Speaker, on behalf of Peterborough, I say it is unconscionable and intolerable. Please change that.

**Mr. Speaker:** All those in favour of the motion for third reading of Bill 28 will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

### THIRD READINGS

The following bills were given third reading on motion:

Bill 112, An Act to amend the the Tobacco Tax Act;

Bill 113, An Act to amend the Provincial Land Tax Act.

### CORPORATIONS TAX AMENDMENT ACT

Hon. Mr. Ashe moved third reading of Bill 114, An Act to amend the Corporations Tax Act.

**Mr. Roy:** Mr. Speaker, you will recall that on second reading of this bill, because of some manipulation on the part of the Conservative House leader and others—

**Hon. Mr. Ashe:** Where were you on Wednesday?

**Mr. Kerrio:** He spoke to it on second reading. Where were you?

**Mr. Roy:** Yes, I spoke to it on second reading. It is embarrassing that the minister has to defend this bill and I understand that. He should try to understand that some of the things he is doing with Bill 114 are unfair to certain sectors of the industry. The minister and the Treasurer (Mr. F. S. Miller) are going around the province trying to tell small businesses they are doing them a favour by granting an exemption of corporate tax. On the one hand, they are taking most of that away with the retail sales tax, and on the other hand there are about 90,000 small businesses—

**Mr. Speaker:** I would point out to the honourable member that the motion before the House is whether the bill should be read a third time. The principle of the bill has already been accepted.

**Mr. Roy:** I will get to the principle then, Mr. Speaker.

**Mr. Speaker:** No, the principle has already been accepted.

**Hon. Miss Stephenson:** You can't get to it.

**Mr. Roy:** The principle of why it should not be read for the third time; I am sure you do not want me to repeat myself. One reason among many why I do not want it to go through third reading, and I am sure even the House leader and the Minister of Education (Miss Stephenson)—who, the record should show, is taking notes—will understand that, is that this tax is unfair. There are about 90,000 small businesses that will not be paying corporate tax and will not get the exemption.

The major reason I do not want it to go for third reading is that when I asked the Treasurer the other day why it was that he limited the granting of an exemption only to those small businesses that were incorporated, he stated that small businesses which were not incorporated should go out and incorporate themselves if they want the exemption.

Members understand, of course, what legal fees are about and how high they are.

**Mr. Breagh:** Some lawyers have to get part-time jobs to support themselves.

Interjections.

**Mr. Roy:** What did I say, Mr. Speaker, that has so aroused the members opposite?

How cynical it is on the part of the Treasurer to tell the small businesses that they should go out and spend \$500, \$700 or \$1,000 to incorporate in order to benefit from these exemptions. I think that is part of the cynical approach taken in this budget. For that reason, I am sure members will agree with me that such a bill should not get third reading.

**Mr. Breagh:** Mr. Speaker, I do not want to speak at any great length, but I do want to speak. Perhaps some one could check the record for me. I know I should not be shocked, but I also know that it is now Thursday night and between Tuesday and Thursday there was a lot of time for a lot of people to change their minds on a given bill. I recall that on second reading the party to my extreme right over here thought this bill was just sliced bread, a wonderful thing and great stuff. I can recall they were anxious—

**Mr. Roy:** It is half a loaf.

**Mr. Bradley:** Better than none.

**Mr. Mackenzie:** You voted for it.

**Mr. Breagh:** Half a loaf. Having got half a loaf, the member has now decided—I just wanted the record to be clear, Mr. Speaker, that when we were discussing the principle of what was before us, when we were dealing with the mechanics of the bill, I did not recall any amendments coming forth—

**Mr. Bradley:** Half a loaf. We will take a few crumbs once in a while.

**Mr. Breagh:** The problem is if there was half a loaf we might be happy, but there are just a few crumbs left.

In fairness, I want the record to show that when the Liberal Party of Ontario has its biweekly policy convention and the changes are made, I believe they should be noted here.

**Hon. Mr. Ashe:** I would like to clarify a point on the issues raised by the first speaker. I think it fair that the record should show the member for Ottawa East (Mr. Roy) had the floor—as a matter of fact, he closed the debate—on Tuesday night. When the debate resumed the next day he was at his law practice in Ottawa and was not here. That is why he had to interject on third reading.

**Mr. Bradley:** You must have wanted to hear him speak.

**Mr. Breagh:** You see, Albert, you should not have come here.

**Mr. Roy:** They are imputing motivation that I was out working.

**Mr. Speaker:** Order. Will the member for Ottawa East please resume his seat.

**Mr. Mackenzie:** I am just wondering if it is possible for the Speaker to allow another bending of the rules to see whether or not the member for Ottawa East would canvass his caucus and join with us this time in voting against the bill rather than for it, as they did two nights ago.

**Mr. Bradley:** We are not against small business.

**Mr. Speaker:** You are all familiar with the motion. Is it the pleasure of the House the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

**Mr. Breagh:** I couldn't hear how the member for Ottawa East voted.

**Mr. Speaker:** I heard very well.

**Mr. Roy:** Do you want it on the record?

**Mr. Speaker:** Order.

Motion agreed to.



MUNICIPALITY OF METROPOLITAN  
TORONTO AMENDMENT ACT  
(continued)

Resuming the adjourned debate on the motion for second reading of Bill 127, An Act to amend the Municipality of Metropolitan Toronto Act.

**Mr. Grande:** Mr. Speaker, I am glad to continue with the debate which I adjourned this afternoon. When the debate was adjourned, I was talking about the negotiations in Metropolitan Toronto, the negotiations between teachers and school boards and the fact that the Education Relations Commission has stated in its report of 1980-81, and I want to quote for the benefit of the members who are here that: "The collective bargaining process in Ontario education is functioning well and it is in a fairly healthy state."

**8:40 p.m.**

I was questioning the Minister of Education (Miss Stephenson), Mr. Speaker. The Education Relations Commission was established primarily to monitor negotiations between school boards and teachers and it told the minister that the negotiations have never been better and have never been in a healthier state than now. Why then does she bring in Bill 127, which basically says there are so many problems here that we have to take hold of it and we have to have all this great power and control?

I will divert for a moment and speak about a rally that took place this afternoon at the Holiday Inn in downtown Toronto. The expectation of the teachers' organizations which called that rally was that about 1,000 teachers and parents would be able to attend. They said that if 1,000 appeared it would be a very successful demonstration. I want to report that about 3,000 teachers and parents appeared. The hall at the Holiday Inn was so full that people could not get into it. Many people were in the hallways, down the steps and all the way to the corridors and outside of the Holiday Inn waiting to get in. Of course, there was no room at the inn.

Of course the minister was there, so this is not for her benefit but for the benefit of reporting to the House. That rally this afternoon was a very successful rally; not from the point of view of the government or the Minister of Education but certainly from the point of view of protecting education and the educational programs for the children of this province it was a tremendous rally.

I want to publicly congratulate the Ontario

Teachers' Federation, the Ontario Secondary School Teachers' Federation, the Ontario Public School Men Teachers' Federation and all their affiliates who did the spadework in terms of making sure those people came. I will not forget the many parents from Metropolitan Toronto, who basically had stronger language to use against the Minister of Education and Bill 127 than I could ever use in this Legislature. I want to congratulate those teachers' organizations and parents who did a fantastic, tremendous piece of work.

I am sure the children of the province will, in years to come, be grateful for people who came together to the Holiday Inn to protect and safeguard the future of educational programs in Metropolitan Toronto and basically in the whole of Ontario.

The minister came to this rally and spoke. The president of the Ontario Teachers' Federation, George Meek said—actually he did misuse the word—that it took a tremendous amount of chutzpah for the Minister of Education to appear.

**Hon. Mr. McCaffrey:** Chutzpah.

**Mr. Grande:** That is right. I am sure the way she was welcomed did not leave a good taste in her mouth at all.

**Hon. Miss Stephenson:** Yes, it did.

**Mr. Grande:** I am sorry; if it left a good taste in the minister's mouth, I hope that between now and the time she withdraws Bill 127 she will have a similar taste in her mouth. When the minister marched in flanked by the flunkies, as I like to call them, the trustees at the Metro level who represent the parents of—

**Hon. Miss Stephenson:** I was not flanked by the Metro trustees.

**Mr. McClellan:** Flunkies.

**Mr. Mackenzie:** Probably had an Ontario Provincial Police bodyguard.

**Hon. Miss Stephenson:** I did not have an OPP bodyguard.

**Mr. McClellan:** Was Larry Grossman there?

**Hon. Miss Stephenson:** I was invited.

**Mr. Bradley:** Mr. Speaker, on a point of privilege: The minister of Education has interjected quite vocally that she did not have an OPP guard there today. It was a Metropolitan Toronto police guard and they prevented both the member for Oakwood (Mr. Grande) and myself from coming back into the meeting once the minister had entered the meeting. It

was only by devious methods of going up—

**Mr. Speaker:** Order.

**Mr. Bradley:** In the case of the member for Oakwood, the elevator—

**Mr. Speaker:** Order.

**Hon. Miss Stephenson:** Mr. Speaker, on a point of personal privilege—

**Mr. Speaker:** I have just ruled it was not a point of privilege and the minister cannot really speak on a matter that is not before the chamber.

**Hon. Mr. Ashe:** It is clarifying the record.

**Hon. Miss Stephenson:** The record, it's not—

**Mr. Speaker:** If the minister wants to rise on a point of personal privilege to clarify the record, I will recognize that.

**Hon. Miss Stephenson:** Thank you, Mr. Speaker, that is precisely what I would like to do. I arrived at the hotel to find Metropolitan Toronto police there. I had no idea they were going to be there. I had no responsibility for their presence, nor for any of their actions.

**Mr. Grande:** If indeed the minister of Education arrived without the flank of the flunkies by her side, then that is so. I know I was sitting on the chair next to the member for St. Catharines. When the minister came in, the Metropolitan Toronto trustees lined up right behind the podium and stood up right behind. That is why I say the minister was flanked.

**Hon. Miss Stephenson:** And all the teachers stood up in front so they could not be seen.

**Mr. Speaker:** Now can we get back to the principle of the bill, please?

**Mr. Grande:** Mr. Speaker, that is indeed the principle of the bill. The Minister of Education basically says that, as a result of those trustees at the Metro level and as a result of other trustees in five other area boards, Bill 127 came into being. There is no other reason, the minister says, no other reason whatsoever; therefore, it is definitely the principle of the bill as to why the birth of this bill came about.

**Hon. Miss Stephenson:** That was the initiation, not necessarily the rationale.

**Mr. Grande:** The fact is that these trustees, and every once in a while I was turning around and looking at them, were pointing their heads right where their shoes were, they were feeling so dejected, so out of place in that room in the Holiday Inn. Somehow, and I do not know whether this is true or not, and the minister can

correct me, I had the impression they had been given an order to be there.

Who on earth would have wanted to come to that meeting? They knew there were going to be a thousand or three thousand people opposing the bill which they, as trustees at the Metro level, say they badly need in Metropolitan Toronto.

Anyway, they were just standing there and were so quiet, so dejected that it appeared to me they were totally out of place. Probably those people were indeed out of step with what education ought to be in Metropolitan Toronto, and those are the trustees who said to the Minister of Education—

**8:50 p.m.**

**Hon. Miss Stephenson:** That is unfair. They are equally responsible. They care as much about education as you do.

**Mr. Grande:** That is the not the way the minister put it in her speech the other evening at—

**The Deputy Speaker:** St. David's.

**Mr. Grande:** —Rosedale school, when she said that the Toronto board of education is out of step with education across Metropolitan Toronto. I am suggesting to the minister—

**Hon. Miss Stephenson:** No. Read it, Tony, read it.

**Mr. Grande:** Well, I will be quoting to the minister in a little while.

I would suggest to her that those trustees who were there today certainly were out of step with what goes on in education in Metropolitan Toronto, and those are the trustees from whom she supposedly took advice.

I rarely make predictions, but when we sit in committee during the September hearings on this bill we will go through brief after brief from people who are going to come before the committee, and as November rolls along and the municipal elections arrive those people are going to desert the minister and she will be all alone in the wilderness; and not only those trustees but also a good portion of her caucus is going to desert her. The minister would do a great service to education in Ontario if she would say at this particular point, before the end of this debate, "I will withdraw this bill."

One issue I would like to talk about, because if this bill becomes law in this province it definitely will be a result, and that is the closure of schools. The other day we debated Bill 46 in this Legislature, and one of the noxious powers that the Minister of Education wanted in that



bill was to issue guidelines for the closure of schools.

**Hon. Miss Stephenson:** I do not need legislation to do that.

**Mr. Grande:** Well, you obviously need it because you asked for it in Bill 46.

**Hon. Miss Stephenson:** That is not what we asked for.

**Mr. Grande:** In effect, Bill 127 takes control from local boards and puts it in the hands of a body that is not elected by the people across Metropolitan Toronto and that is definitely not going to be responsive to all the people in Metropolitan Toronto, and as a result the school closure issue comes up all the time. In essence, the issue goes something like this. While the bargaining is going on at the Metro level, the bargaining over salaries, over the formula to allocate teachers and over teachers' benefits, the Metropolitan Toronto School Board in its master agreement may very well decide that there shall be a certain class size across Metropolitan Toronto, that every classroom shall have a similar class size.

What would happen is that boards of education that have made it a policy that schools in their areas of jurisdiction will not be closed, will be forced to close the schools. I do not have to remind the member for Armourdale (Mr. McCaffrey) of the pains that he, as an individual, went through when those schools in his area of North York were being closed. I spoke with the member for Armourdale at that time and he said, "I wish there was some way we could keep those schools open." I believe he was truthful and expressed sincerity in that.

When the negotiations are going to go on at the Metro level, Metro level will make the decision as to which schools close. Metro will decide class size. Metro will decide how many teachers are to be allocated to a particular board of education.

**Hon. Miss Stephenson:** You are entirely wrong. You don't understand.

**Mr. Mackenzie:** Just like you were wrong about the meeting.

**Mr. Grande:** Basically, Metro—

**Hon. Miss Stephenson:** Metro will not.

**Mr. Grande:** —will be making decisions about the level of education in—as the minister calls the second tier—the upper-tier level of education, and the local board cannot do anything about it.

**Hon. Miss Stephenson:** How anybody can be as obtuse as you are, I really don't know.

**Mr. Grande:** So the closure of schools becomes a reality. In particular, two boards of education in Metropolitan Toronto, namely the Toronto Board of Education and the York Board of Education, have made policy determinations that as far as they are concerned the priority is that small community schools will not be closed.

As soon as the Metro level takes over and gathers up all the powers unto itself, there will be no way the Toronto Board of Education or the York Board of Education can maintain those schools.

I notice the member for Kitchener-Wilmot (Mr. Sweeney) is here. The reason I am so concerned about this issue is because I did a little bit of calling around. I called the Etobicoke Board of Education. That board, for the benefit of members of this House, in the past two years has probably closed as many schools as North York has. Or perhaps North York has closed one or two more schools.

Etobicoke closed one school in 1977, two in 1978, four in 1981 and four in 1982. Those are the figures. This year, it says it will be closing its first secondary school. I phoned Mrs. Lowe in Mr. Moore's office at the Etobicoke Board of Education. The thing I found really incredible is that she said—I do not think it is a quote; however, I will use it—"Miss Stephenson has nothing but praise for our policy and points to it as an example for all other boards to follow."

**Hon. Miss Stephenson:** Because of the community involvement.

**Mr. Grande:** The minister has to understand that when she talks about community involvement she has to talk about splitting communities apart. Some of the newspaper reports about the Keiller Mackay Collegiate Institute, which it was declared would be closed last year, the fighting and the words and the debates that occurred between one group of parents and another literally tore that school community apart.

The reason I mention this case is because we are talking about North York and we are talking about Etobicoke. We could even talk about Scarborough but I am not aware if any schools in Scarborough were closed.

9 p.m.

**Hon. Miss Stephenson:** Yes.

**Mr. Grande:** There were? All right. But the fact is the three boards I have mentioned, though we go to the Metro level at this particu-

lar time, form a majority of the Metro level. In essence, if Toronto wants to keep its small schools open, if the borough of York wants to keep its small schools open, that is too bad. They will not be able to do so.

During the estimates of the Ministry of Education I asked the minister what kind of research she had done in terms of school closures. The minister gave me the report called Educational, Social and Financial Implications to School Boards of Declining Enrolments, a report that was done in 1977. It is a ministerial report. The conclusions in that report refer to size of school and cost per pupil and say:

"As expected, there is a relationship between size of school and cost per pupil even when differences in salary scale levels, years of experience and qualifications are discounted from all personnel employed in schools. From the 216 schools examined in the study, it is concluded that serious increases in cost per pupil do not begin until schools fall below the 200-pupil level."

I have seen that magic number of 200 pupils in ministerial reports since 1969. I have also asked the board which I represent in this Legislature, the borough of York which, as I said before, has a policy not to close small schools, how many schools have an enrolment of 200 pupils or less. That board said it has six such schools, and one school has an enrolment of 215 kids.

I suggest to the minister that if this bill goes through, within the next year or so those six schools in the borough of York will be closed. That is the direct implication of this disastrous bill we have before us tonight.

I want to return to the negotiations between teachers and boards. I am satisfied that I made the point about the Education Relations Commission so I will not use it again, but I do want to quote briefly from the report of the commission that reviewed the collective negotiation process between teachers and school boards, in short, the Matthews commission report. That is the report of the commission the minister established in the Legislature on October 30, 1979. I want to quote from the minister's remarks in the Legislature. She said:

"The School Boards and Teachers Collective Negotiations Act has been in force since July 18, 1975. Before that time, there was uncertainty and disruption in teacher-board relationships. A decision of the court was required to confirm the rights of teachers to withdraw their services. The act, when introduced, provided for the first time a legally defined, equitable and reasonable

framework within which teachers and trustees could pursue their goals through the collective bargaining process.

"The act has improved that process in many ways. It has unquestionably reduced the number of occasions when a breakdown in negotiations has led to strikes and other sanctions. In the three years before the passage of the act, there were 28 cases which will now be defined as strikes or lockouts. In the four years since the act was passed, there have been over 900 settlements, with only 18 strikes and lockouts."

In other words, Bill 100 provided stability in negotiations across this province. The Education Relations Commission stated that it did provide that stability.

For no reason whatsoever, we find ourselves with this Metropolitan Toronto act which, I would assume, is here for the reason that the Ministry of Education and the minister do not want to see stability in teacher-board negotiations in this province.

This afternoon, I read recommendation 18 on page 49 of the Matthews commission report, which says: "The commission recommends that Bill 100 continue to provide for voluntary joint bargaining by branch affiliates and by school boards subject to adjudication of the Education Relations Commission as recommended in recommendation 19."

Every time the Minister of Education talks about this outside this Legislature she says, "Yes, but the Matthews commission report also states, not in a recommendation but in the text, that compulsory joint bargaining is desirable."

Let me quote the paragraph which I assume the minister is talking about. It is on page 52 of the report and says: "Although the special situation in Metropolitan Toronto has brought the matter of joint bargaining by different school boards to the fore, it may become a more general problem in the future. This could easily happen if neighbouring school boards begin to press for joint bargaining in order to avoid being whipsawed by the federations. It is not uncommon for the federations to build upon each settlement in turn, thereby engaging in a process commonly known as leapfrogging or whipsawing."

The Minister of Education calls upon this paragraph to strengthen her position that Bill 127 is needed. I want members to listen again to a few words. The commissioner said, "it may become a more general problem," and "this could easily happen." In other words, nothing of



the whipsawing and leapfrogging has occurred in Metropolitan Toronto since 1975.

How could it happen? All the boards have been bargaining in Metro on a voluntary basis anyway, except for one year. That year was 1978, when the Toronto Board of Education decided it wanted to bargain with its teachers on its own. What happened that year was not a case of whipsawing or leapfrogging. The teachers of Toronto decided to take a one per cent pay cut in order to protect the jobs of 50 or 60 of their colleagues. Is that leapfrogging and whipsawing?

What other information does the minister have? If she has any information, on what basis did those trustees at the Metro level—I call them the “flunkies”—say to the minister, “Bring in Bill 127, we need it desperately, we need it badly”? Show us the proof. I certainly did not see any in the compendium of information that she brought before us when she introduced this bill.

**9:10 p.m.**

I would like to continue a little more with the Matthews commission report. If the Minister of Education says the reason she is bringing in the bill is because the Matthews commission report—in the body of the report and in the text of the report, not in the recommendations—said joint bargaining is desirable because it could lead to some kind of leapfrogging in the future, why is it that the commissioner also talks about province-wide bargaining in the text of the report? It is not a recommendation, but does that mean the minister would say that because the Matthews commission in one or two lines of the report talks about province-wide bargaining, she will bring in a bill which says that province-wide bargaining is needed? Nonsense.

As a matter of fact, we have tried to get this minister and this government to act on good sound recommendations. Report after report is lying on shelves gathering dust in this place and has not been implemented because the government said, “While it is a report, we do not have to accept the recommendations of the report. It is just advice.”

This was not even a recommendation in the Matthews commission report and the Minister of Education brings in Bill 127. The Minister of Education should come clean and tell us why this bill was needed because I have not been able to find anywhere in reports anything that would indicate it is needed, other than what the minister said the Metro trustees, the trustees in North York, in Scarborough, in East York and

in the borough of York have said, which was, “We need this legislation.”

I received those letters. They are just in the form of saying, “The board met and the board made a decision.” There were no reasons for the decision stated. I want the minister to provide the reasons, and until she provides the reasons I suppose this bill stands on very shaky ground.

As members will recall, last night while the member for St. Catharines (Mr. Bradley) was speaking on the bill, he quoted extensively from material that he received from the different teachers’ organizations, namely, the Ontario Teachers’ Federation, the Ontario Secondary School Teachers’ Federation, the Ontario Public School Men Teachers’ Federation, the Federation of Women Teachers’ Associations of Ontario and others.

Mr. Speaker, I would hope you will have the same patience with me that you had with the member for St. Catharines last night, because I would like to put some of those concerns on the record as well.

**The Deputy Speaker:** If that is the case, I am always tolerant under such conditions. However, I will always be reminding members at some future time when some other members read at great length.

**Mr. Grande:** Mr. Speaker, my apologies. Thank you very much. I am not going to read a lot. The Ontario Teachers’ Federation had a press release on the bill which says:

“The teachers oppose An Act to amend the Municipality of Metropolitan Toronto Act, Bill 127. The Ontario Teachers’ Federation and its affiliates and branch affiliates have agreed to sponsor joint initiatives to combat proposed legislation to amend the Municipality of Metropolitan Toronto Act.

“Introduced and given first reading in the Ontario Legislature May 28, 1982, the bill imposes compulsory joint bargaining by panel and compulsory regional bargaining with Metropolitan Toronto. It therefore denies teachers the right to bargain directly with their employer on the major items of salary, financial benefits and staffing.

“In a meeting held at the Chelsea Inn, Toronto, on Friday, June 4, 1982, approximately 100 branch affiliates, presidents and representatives from across Metropolitan Toronto met to discuss the implication of the bill as it affects teacher representation, voting and contract ratification. They are totally against proceeding with any amendments in Bill 127 that have to do with negotiations and finances.

"Participants concluded that, while at the moment this is an issue of concern to teachers employed within the Toronto area, it would be impossible to implement compulsory regional bargaining in the municipality without also enforcing some form of compulsory joint bargaining by panel.

"The bill is an abrogation of the teacher's right to negotiate through the local branch affiliate with his or her employer and would in all likelihood set a precedent of operation for other urban centres throughout Ontario.

"Specifically, the legislation would have a single board committee to negotiate on both regional and joint bargaining panels chaired by the Metro board representative. Teachers would have two committees, an elementary committee of 16-plus and a secondary committee of eight-plus. The provisions on voting move the power from the branch affiliates of the board to negotiating committees.

"Decisions of committees have to be made by double majority. One interpretation of this double majority concept would allow as few as 2,900 teachers to make the decisions with regard to an elementary agreement for 9,300 elementary teachers across Metropolitan Toronto.

As did the member for St. Catharines, I will let these documents speak for themselves. I do not need to comment on them.

I am sure all members of the House received a memo from the president of the Ontario Secondary School Teachers' Federation, Malcolm Buchanan. I would like to quote the first part of this memo. "The bargaining rights of 8,400 colleagues in Metropolitan Toronto would be seriously eroded if a Pandora's box of amendments to the Municipality of Metropolitan Toronto Act is passed in the Ontario Legislature. The new legislation would make guinea pigs of Metro teachers in a pilot project to test regional bargaining for the rest of the province."

The Ontario Secondary School Teachers' Federation has retained the law firm of Golden, Levinson to see what kind of bill this is and what effects it will have. Maurice A. Green makes a very extensive report to the OSSTF about the effects of this bill and what the bill is basically all about.

I do not want to read the whole thing. The member for St. Catharines put it on the record last night. However, I will read the passages I feel are salient and more to the core of the problem.

Lawyers rarely get upset about things. They

always have a cool sense of déjà vu that the world will not come to an end and there is always a tomorrow. However, in this case the lawyer is obviously upset about this legislation. His aggravation is demonstrated when he says: "My anger rises because the Metro bill has placed on the legislative table labour relations concepts which deviate greatly from past government policies and which, if followed across the province, would strip both teachers and boards of long-existing freedoms. Rather than create a legal and bureaucratic manure heap, the minister would have been more politically honest to have disbanded the local boards of education in Metro à la Reagan and created one efficient school board."

9:20 p.m.

**Hon. Miss Stephenson:** Is that what you want?

**Mr. Foulds:** That's what you want.

**Hon. Miss Stephenson:** No, it is not.

**Mr. Foulds:** You want province-wide bargaining.

**Hon. Miss Stephenson:** Don't presume you know what I think or feel about it.

**Mr. Grande:** Mr. Speaker, I am simply quoting from this document. I continue quoting: "The concepts which I analyse in the following pages could easily be extended to any area of the province where regional government exists or is being extended. Thus there is no reason why a similar approach cannot be forced upon Ottawa-Carleton, Hamilton-Wentworth or other convenient groupings."

**Hon. Miss Stephenson:** They are not two-tier systems.

**Mr. Grande:** I say to the minister, lawyers deal with legislation and they interpret legislation.

**Hon. Miss Stephenson:** This one produced \$1.98 worth of opinion for several thousand dollars.

**Mr. Grande:** My annoyance arises simply because there are many provisions that have been badly drafted or have not been thought through. There seems to have been no reference to how Bill 100 functions.

Let me continue with some quotes, Mr. Speaker. This is another quote from page 3:

"The worst part of the envisaged scheme relates to section 130a(2) and (3)"—that is the section that deals with the master agreement at the Metro level—"130f(2) and 130g(3). On the assumption that salaries, financial benefits and staffing are to be negotiated in a 'master agree-



ment,' the teachers cannot negotiate and include in such master agreement other terms or conditions of employment which could be applied across Metro, unless all parties, including the Metropolitan Toronto board, agree. This creates a prospective bombshell, apart from being contrary to section 8 of Bill 100 in law and philosophy."

The Minister of Education, of course, knows what section 8 of Bill 100 is. It is a very short clause which says all items brought in by the board or by the teachers can be laid on the table for debate, discussion and negotiation. However, this particular law says: "No. We do not want all items. We just want to deal with one, two and three, and nothing else can be dealt with."

The letter goes on: "Section 130f(2) gives any board or branch affiliate the power to veto any item put forward for the master agreement. When such veto results, the proposal can only be taken up with at the local level pursuant to section 130g(2) and (3)." It goes on at length, but I do not think we need to put everything on the record.

One cautious note which the lawyer states to the teachers is on page 4: "One only has to look at the article providing job security to see what game-playing the boards could engage in. First, would such an article fall within the terms that affect the method of calculating the number of teachers to be hired? If the answer is in the affirmative, then such a provision could be lost by the double majority vote. If the answer is no, then the particular district would have to attempt to defend such article from the contract-stripping employer at the local level where (1) the district cannot force negotiations nor (2) go on strike."

In other words, in negotiating this master agreement the terms and conditions of Bill 100 do not apply. If the minister had wanted to change Bill 100, she should have brought in Bill 100, because that is the law that talks about collective bargaining between teachers and boards. She should not have brought in the Municipality of Metropolitan Toronto Act and put bargaining provisions into this act, which basically has never dealt with bargaining. The bargaining law in this province is Bill 100. I am saying to the minister that if she wanted to change Bill 100, she should have brought in Bill 100.

**Mr. Foulds:** She did not have the guts.

**Mr. Grande:** Basically the member for Port Arthur is correct because, as members know, since October of last year the Minister of

Education has been working on changes to Bill 100. As a matter of fact, in February some time the draft legislation was sent out for consultation.

**Hon. Miss Stephenson:** No. January.

**Mr. Grande:** January? All right. I got hold of it in February.

Interjection.

**Mr. Grande:** I got hold of it in February. I do not get things immediately.

**Hon. Miss Stephenson:** If you are going to be critical, be accurate.

**Mr. Grande:** You never send me copies of these things. I have to get them elsewhere. It takes a little time for me to find them, but I do.

Anyway, the minister wanted to bring in changes to Bill 100, and I must commend her for the consultation that took place with Bill 100. The draft was made in legal language, it was sent out to the people affected, I would assume that these people responded, and this is correct and proper procedure. However, the Municipality of Metropolitan Toronto Amendment Act was not circulated. There was no consultation with anybody. It just came like a bolt out of the blue: "There it is; we made the decision. We are going to go with the Municipality of Metropolitan Toronto Act; we are going to leave behind the amendments to Bill 100 for the time being."

I can only speculate about why that occurred, and I will tell members why it occurred: because Bill 100, or at least the legalese that the Minister of Education gave to the different groups affected, in effect called for joint bargaining by panel across the whole province. The minister and the government, I would assume, said: "Oh, we cannot do that; we are going to upset everybody in the province. It will be too much: 1974 all over again; 35,000 teachers and parents outside this Legislature clamouring at the door. All right, we will not do that."

However, the minister said: "I have to get to Toronto. Those people in Toronto have to be brought to heel; they have to respect my imperatives; they have to do what I want them to do, and they are not doing it. So, by God, by hook or by crook I will get to them. I will smash it."

**9:30 p.m.**

The speech the minister gave in Rosedale Public School told the whole story. That is the reason the Municipality of Metropolitan Toronto Amendment Act is here. It has nothing to do with negotiations; it has nothing to do with

contracts; it has to do with bringing a particular local board in Metropolitan Toronto to heel, to bring it under control and make it listen to imperatives from the government.

It is a punitive law, and that is why this Legislature and everybody in this Legislature, and not only the members from Metropolitan Toronto, ought to say to the Minister of Education, "Absolutely not; you will not have it." I hope the members of the governing party, whether or not they are in Metropolitan Toronto—because sooner or later it will come to their areas as well—will say to the Minister of Education, "No, you cannot have this."

Let me go on with a few quotes from a letter from the Ontario Public School Men Teachers' Federation to the Minister of Education, dated June 23, 1982.

The president of that federation, Mr. Duncan Jewell, began the letter with one of my favourite quotations from the minister, which is beautiful. At the end of her opening address in the estimates a week and a half ago, she said, "Never lose sight of the fact that the child as a learner is not only the centre of the school system but the only reason for its existence."

It was actually the late Robert Jackson who wrote that, and I liked it so much that I began my leadoff in the estimates by saying to the minister, "Listen to these words and see if they make sense," because basically my feeling was that what the minister read and the actions of the ministry do not jibe at all. It is almost a kind of 180-degree turn. The minister and the ministry are definitely forgetting that the child is the centre of the educational system.

Let me go on. The letter says: "I am sure that you are very familiar with Dr. Robert Jackson's final recommendation in the report of the Commission on Declining [School] Enrolment in Ontario:

"Trustees in this province always have endeavoured to keep budget cuts away from kids but they won't be able to if Bill 127 passes. The legislation will require the boards of education in Metropolitan Toronto to sacrifice programs and teachers to accommodate budget deficits—no other recourse will be available.

"The dismissal of teachers is virtually inevitable if the legislation receives royal assent.

"I implore you, Madam Minister, to withdraw this legislation to protect the integrity of the educational system in Metropolitan Toronto. Under this legislation it is conceivable that no local board could spend its tax money in innovative ways that improve education, reduce class

size or provide for the special needs of children."

Reduce class size? What is that? The minister wants to increase class size. Remember the speech in Rosedale the other night?

"School boards do not need to be placed in the position where they will be forced to apply the bill's new tax formula like a straitjacket.

"I draw your attention to the last sentence in the Toronto Star editorial of June 21, 1982: 'Bureaucratic efficiency and administrative simplicity are no reason to weaken a community's control over the schools its taxes support.'

"Help protect local autonomy now—withdraw Bill 127."

That was written by Duncan Jewell. The minister knows Duncan Jewell. I wish she would pay heed to these words.

From the Federation of Women Teachers' Associations of Ontario, North York WTA, and the Ontario Public School Men Teachers' Federation, North York District:

"Dear Mr. Grande:

"As teachers within North York, we would like to raise a series of concerns that we have relating to Bill 127, amendments to the Municipality of Metropolitan Toronto Act.

"We hope that as a member of the Legislature, you would share our concerns on some or all of the following issues:

"(a) Should the voting and representation mechanism of the teams be specified in the act? (AEFO-Elementary in North York will have one representative for 10 teachers, while OPSMTF and WTA-North York will have a total of two representatives for 2,250 teachers.)

"(b) How can the board continue to maintain programs for special needs in North York if these continue to involve additional staff, as they do now?

"(c) What is the status of members who hold centrally employed positions? Will they continue to be counted outside the Metro staffing formula or will they be moved inside the formula?

"(d) When will one resolve local issues? Once the central agreement is settled, what motivation is there on either side to discuss local matters?" I guess this points to the law where it says that a local board may negotiate a local agreement.

"(e) Why is it necessary to reduce the option for local levy? If a board and the local taxpayers are prepared to fund special programs, why should the option be limited?

"(f) Who will determine the scope of issues



that will be the responsibility of the Metro school board? What is 'at variance'—that is a phrase from the legislation—"going to mean? Can the system administer locally programs in terms decided at Metro?

"(g) How will parents affect education and programs in North York if all the 'dollar' decisions are made by representatives 'appointed' to the Metro board?

"(h) Who will be the employer of North York teachers? North York or Metro?

"(i) How sensitive will other Metro board representatives be to issues and concerns that North York has raised and resolved? Many local arrangements will now require approval from all Metro boards prior to implementation.

"Our major concerns relate to the confusion this legislation promotes. Many of our questions cannot be answered. It appears that an attempt to resolve differences among the boards is producing legislation that will be punitive to the teachers, students and programs in North York.

"We believe that bigger is not necessarily better.

"If the approximately 9,500 elementary teachers in Metropolitan Toronto are forced to negotiate together, there will be a wider range of demands and the negotiation process will take much longer to complete.

"We would be pleased to discuss any of these concerns with you. Please feel free to contact us at our office . . ."

It is signed by David Kendall, president, Ontario Public School Men Teachers' Federation, North York; Mavis Simons, the WTA president, North York, and Pierre Nadeau, president, AEFO-Elementary, North York.

The Toronto Teachers' Federation has written to me, and I am not going to read the whole thing, but certainly that federation puts it fairly, because basically all these people, all these groups and all these associations and federations talk about the same thing. The thing they say most of all is: "Withdraw this bill. It is a punitive bill. It will erode quality education in Metropolitan Toronto."

The one thing the TTF talks about is that as a result of the levy discrepancy at the elementary level, the changing levy, which, as I understand it from last night, the minister and the government decided to maintain at 1.5 mills and not to cut back to one mill—that is welcome; I question the motivation for doing it, but it is welcome—approximately 40 to 50 teachers from

the Toronto Board of Education at the elementary level would have to be fired.

**9:40 p.m.**

The North York Elementary Teachers' Federation also wrote to me. Let me put a few of their concerns on the table:

"1. This bill imposes mandatory regional bargaining by panel in Metropolitan Toronto. This legislation would then deny North York elementary teachers from bargaining directly with the North York Board of Education on major items such as salary, financial benefits and staffing.

"2. The legislation would govern the format of both the board and teachers' negotiations committees, and thus is in contravention with section 6 of Bill 100 which currently allows flexibility in negotiating teams.

"3. The provisions on voting on a tentative settlement in negotiations constitute an unwarranted interference in internal procedures. The process would set up a 'double majority' structure, which would allow a vote to carry by a very small number of teachers in the Metro context.

"4. We are very concerned about the part 6 section of our collective agreement in respect to the status of local issues. Our experience in the past in joint Metro negotiations has proven that local issues take a very low priority.

"5. Would there be a Metro-wide seniority list and thus the possibility of arbitrary relocation of teachers throughout Metro?

"6. Upon royal assent, this bill will come into force and thus could interrupt the current negotiations structure.

"7. This legislation will restrict the ability of local school boards to raise funds for local initiatives.

"8. The Metropolitan Toronto School Board will have the power to 'lock out' teachers in an individual board whether or not the individual board authorizes such an action.

"9. This change in structure will give the Metro school board increased authority without increased accountability.

"10. It is our understanding that this legislation is the beginning of a move by the provincial government towards regional and perhaps even provincial bargaining."

**Hon. Miss Stephenson:** That is entirely wrong.

**Mr. Grande:** These are the people the minister obviously should have consulted prior to the bringing down of this legislation. Consultations

iron out difficulties and problems. People can ask questions and the minister can get input.

**Hon. Miss Stephenson:** I will be glad to tell you about the consultation. Just go on.

**Mr. Grande:** The minister can get input and then bring forth the legislation. If people did not like it, at least they could say: "Yes, we were consulted. We understand. We do not like it, but we were consulted." But in this instance, with the Municipality of Metropolitan Toronto Amendment Act, there was no consultation, period.

**Hon. Miss Stephenson:** That is not true.

**Mr. Grande:** The minister will have her opportunity at the end of the debate.

I now come to that famous Bill 100 and the amendments to it. I want to read some parts of a letter that was sent to the teachers' federation by the Ministry of Education. This is under the signature of Dr. H. K. Fisher, deputy minister. In other words, on this amendment to Bill 100, as I said before, there was consultation. The paragraph I want to read is this one:

"I must make a special comment about the items which relate to joint bargaining in Metropolitan Toronto. The implementation of this proposal could be effected through amendments to either the School Boards and Teachers Collective Negotiations Act or the Municipality of Metropolitan Toronto Act. No decision has been made as to which of these routes will be followed. Proposed legal wording for the proposal is included in this package for the sake of completeness."

In other words, as of January 19, 1982, no decision had been made as to whether compulsory, mandated joint bargaining in Metropolitan Toronto would be made through Bill 100 amendments or through the Municipality of Metropolitan Toronto Act amendments. In effect, the minister had from January until June. She had six months. Of course, I do not know whether the decision was made in January. It could very well be that the decision was made in early May and then the legislation was introduced in the Legislature and was on the floor of the House.

However, the point is clear that in regard to the amendments to Bill 100, the ministry was talking about joint bargaining by panel right across the province. If the member from the food terminal or whatever is doubtful about it, I will let him have a copy of the amendments to Bill 100. I understand that he has some expertise in the law; he can interpret it himself.

But the point is that joint bargaining by panel across the province was what the Ministry of Education was talking about in the amendments to Bill 100.

**Hon. Miss Stephenson:** In September; not in January.

**Mr. Grande:** It was on January 19, 1982, that this was circulated. In other words, the minister is trying to tell us, the public in Metropolitan Toronto and in the province, that it would be just in Metropolitan Toronto and that is it. Somebody has to wonder whether that is a fact or not, although she will keep on denying it. The fact is that the amendments to Bill 100 clearly put it on the table and say, in essence, there will be joint bargaining by panel right across the province.

I have one more item before I wind up. It is an item that gets me very emotionally upset and angry. I hope my words, as opposed to my loudness, will express the anger in this Legislature. It has to do with the speech that the Minister of Education gave at Rosedale Public School the other night. More than that, it has to do with the fact that I learned this evening that the Minister of Education has made thousands of copies of this speech—

**Mr. Bradley:** On ministry letterhead.

**Mr. Grande:** It has the government logo. She is pushing it out, I suppose, to as many people as possible who want to hear the message of the Minister of Education at Rosedale Public School to the annual meeting of the St. David Progressive Conservative Association.

First, let me say to the minister that I sure hope the Progressive Conservative Party of Ontario paid for that, because I do not want to feel my money and the money of the people of the riding of Oakwood went into distributing this piece of propaganda, because it is nothing else but a piece of propaganda of the basest nature.

**Hon. Miss Stephenson:** It is exactly like the stuff the Toronto board put out.

9:50 p.m.

**Mr. Grande:** It is propaganda of the basest nature and brings into the foreground the basest of emotions in every one of us. I thought this government, and the member for Brampton (Mr. Davis), said it was the policy of this government to combat discrimination at every level, at every opportunity, whenever it shows its ugly head. I say to the Minister of Education and the Premier that the minister herself is



producing the propaganda that discriminates in this province. This is a bunch of hogwash.

**Mr. Gordon:** You said it, and you should know.

**Mr. Grande:** It is the Minister of Education's words that are hogwash.

**Mr. Gordon:** I thought you were talking about what you were saying.

**Mr. Grande:** The member is in agreement, and I thank him for that.

The remarks the Minister of Education made in this speech in very few words place the heritage languages program in juxtaposition to Bill 127. The Board of Education for the City of Toronto put forward the proposal to the minister for approval and the Ministry of Education denied it. That was fine. It was a political decision that was made. I can accept that, although I disagree with it; but it was a political decision she made. There are 70 members here in the government party, and I accept that on particular issues they take a position and this party takes another. That is fine; that is reality; that is politics.

I read the Minister of Education's remarks, under the Ontario logo, produced in God knows how many thousands of copies and sent to people all over the province. The title of her remarks is, "Bill 127 and Heritage Languages."

If the minister has a problem with Bill 127, if she cannot steer it through this Legislature and if the people of Metropolitan Toronto are angry—rightly so; they should be angry—then the minister should not juxtapose her problems with Bill 127 with the heritage languages program. That drives people to anger, almost to the point of insanity. I do not want the minister or anybody in her government or anyone in this province saying in effect, through that title, "Bill 127 and Heritage Languages," that Bill 127 has anything to do with heritage languages in this province.

**Hon. Miss Stephenson:** No one suggested it did.

**Mr. Grande:** My suggestion to the minister is that if she has not distributed this political junk, she should not distribute it. If she does distribute it, it will mean problems.

Let me quote from the minister's remarks, because the minister in this area is totally inaccurate. The heritage languages program has nothing whatsoever to do with Bill 127. If the minister, perhaps rightly, is opposed to the Toronto Board of Education sending material on Bill 127 home with children to their parents

because the children would be used as political footballs, I suggest that in this speech she is using all the ethnic groups in this province as political footballs. The context of the minister's speech and the title of her speech indicate that Bill 127 is joined with the heritage languages program, which, in effect, means the ethnic communities in Ontario.

Let me quote a remark the Minister of Education made in that speech: "It takes little imagination to see what could result from such a proposal"—the Toronto Board of Education proposal. "In some schools, for example, English or French would become third languages, while Italian, Portuguese, Greek and Chinese would become languages of instruction." What rubbish. The minister ought to be ashamed of herself. The Toronto Board of Education asked her for pilot programs to see if the use of the mother tongue would have beneficial effects on the education of children. The board did not say it wanted Italian, Portuguese, Greek or Chinese to be the languages of instruction and first languages of Ontario. The minister ought to be ashamed of herself.

**Hon. Miss Stephenson:** They wanted them to be languages of instruction. Read the recommendation.

**Mr. Foulds:** It's a deliberate distortion.

**Hon. Miss Stephenson:** It is not.

**Mr. Foulds:** It certainly is.

**Mr. Speaker:** Order.

**Mr. Shymko:** May I have a copy of that speech?

**Mr. Grande:** Certainly, and I hope you use it well.

For the time being let me leave it at that and discuss the minister's concern about the Toronto Board of Education using children to take letters to their parents regarding the contents of this bill and the sanctimonious concern she has about the board using children as a vehicle to communicate with the parents. It has always happened that, in the school system, letters from schools, from principals, go to the parents via the children. However, if the minister is concerned about that, then she ought to be concerned about exploiting the ethnic groups of Ontario, in juxtaposing the heritage languages program with Bill 127.

If the Minister of Education ever says to me, publicly or otherwise, that is a legitimate way, then I will say the Toronto Board of Education not only has a policy regarding the heritage languages program, but it has a policy about

business and technical education, a policy on computers, a policy on intellectually gifted and talented children, and a policy on children with learning disabilities, and it has developed a policy through work groups and consultation with communities on child care, etc.

A board is elected to make priorities and decisions and the Toronto Board of Education made many priorities and many decisions in the school year, not just the heritage languages program. The minister, by taking the heritage languages program and juxtaposing it with Bill 127, is doing tremendous disservice to unity and harmonious relations in Ontario.

Perhaps what the government should have is membership in the Alliance for the Preservation of English in Canada. We all know what that alliance thinks about French services and French language in our schools. Perhaps the minister belongs there.

I have never felt so strongly about a particular issue as I do about this one; therefore, I say to the Minister of Education: "Do not exploit the basest of sentiments and emotions in this province so you will be able to pass Bill 127. Do not exploit in that fashion."

**10 p.m.**

**Hon. Miss Stephenson:** Don't tell me not to exploit. You stop exploiting.

**Mr. Foulds:** Go away. Oh God! Bette, anybody who disagrees with you is somehow wrong.

**The Acting Speaker (Mr. Cousens):** Order.

**Mr. Grande:** To sum up: It is clear, beyond doubt, that educational programs to address the legitimate needs of children in Metropolitan Toronto, children of families who live in poverty, children of immigrant families who must learn English in order to proceed through the educational system and basically to move in Ontario, children who need special education programs, will suffer as a result of Bill 127.

The New Democratic Party will not allow the government to do away with these needed programs. The NDP will encourage the government to do away with Bill 127.

It is clear this bill will strip power from the local level and put it in the hands of a body which is not democratically elected and is too far removed to understand the needs of people in Metropolitan Toronto. The New Democratic Party has said before and will say again, "Do away with the Metro board, it is no longer needed."

It is clear that this bill will create chaos in teacher-board negotiations in Metro Toronto.

The NDP agrees with the Education Relations Commission when it said that the collective bargaining process in Ontario education is functioning well and is in a fairly healthy state.

The Minister of Education and the government want to take away local powers from the local school boards and the New Democratic Party says, "No way."

In conclusion, I would say in all honesty and sincerity to the Minister of Education: "Withdraw this bill, it is punitive. If you do not do it willingly, you will do it under pressure."

**Mr. Sweeney:** Mr. Speaker, I have already been told by two members to keep it short because two other people want to speak tonight.

I understand there was quite an interesting meeting this afternoon. A couple of thousand people showed up in downtown Toronto and the minister and the various critics spoke to them. I mention that because it is a pretty clear indication of the strong feelings attached to this piece of legislation.

In retrospect, it is obviously appropriate that we made a decision a few days ago to take this legislation to committee in September. A lot of people want to relate in a very personal and direct way how this will affect them.

I would begin by indicating very clearly that I oppose Bill 127. I will not go through the litany of specific points, so well phrased by my colleague the member for St. Catharines (Mr. Bradley), which indicated point by point why our party is in opposition to this bill. I would like to speak for a fairly short period of time, though, on what I think are some of the key issues.

I remember that when my colleague was speaking last night he made reference to a particularly well-known saying, "If it ain't broke, don't fix it." He made reference to the grammar of the Minister of Industry and Trade (Mr. Walker), and that minister sent over a little note to say he was just repeating Will Rogers's old saying and those were the exact words.

I wanted to refer to that because that is really the sense we have in our party. We really do not understand why this legislation is in. We have a very clear sense that there just ain't nothin' broke and we do not really understand why the minister and the government are going to such great lengths to fix something that, quite frankly, does not need to be fixed.

But there are difficulties in Metropolitan Toronto, as there are all over the province. Not all arrangements, not all relationships are as amicable as we would like them to be, but things are working reasonably well. Quite frankly,



every time we look at this piece of legislation we can only concur that things will get worse; they will not get better. This legislation is going to create greater complexity, greater confusion; it is going to lead to more litigation; it is going to upset all the things that now are working reasonably well and we are at a loss to understand.

The minister has referred to the fact that five, I believe, of the six Metro boards have said they want this legislation, which is one of the main reasons it is being brought in. I would like to share with the minister the information that several months back, when I was the Education critic for our party and when this legislation was first broached, I got in touch with the chairmen and directors of education of all the boards in Metro and asked them, very simply, "Do you or do you not support this, and why?" I was not able to speak to both the chairman and the director of every board; I did not get in touch with them all. But I got at least one on every board; in most cases, both of them.

I want to share with the minister the answer from the five boards that support this, according to the minister. It can be distilled very simply into administrative efficiency. That is what it boils down to. We talked about a number of things, but literally what it boiled down to is: "This is a more efficient way. It will save time. We will not have so many people tied up constantly in negotiations. We will not all be going over the same old ground."

Well, it may very well be correct that this could be a little bit more efficient, a little bit tidier—

**Mr. Bradley:** So is a dictatorship.

**Mr. Sweeney:** Yes, so is a dictatorship—but the fact remains that this is no clear indication that it is going to produce better education in the classrooms of the schools of Metropolitan Toronto, no indication at all. And I would suggest that our primary function in this Legislature with respect to education—and, I would presume, the minister's primary function—is to ensure good quality education in the classrooms of Ontario and not to be unduly concerned with administrative efficiency. That comes from someone who was an administrator in the past and who was concerned about efficiency.

**Hon. Miss Stephenson:** It was part of Bill 100.  
10:10 p.m.

**Mr. Sweeney:** I do not know to what extent I was part of it but obviously I had to live with it as did all the people I worked with. I am very

conscious of the need for administrative efficiency to a limited degree.

I want to say that neither I, nor the people I worked with, nor the board I worked with ever forgot that administrative efficiency was not our number one priority; it was the quality of the education we were to offer to the children in our classrooms that was our number one priority.

I said clearly to those directors and board chairmen, as I would say to the minister tonight, in my judgement that is not a good enough reason to have this legislation. Yet, consistently, that was the essence of the answer I received from them, what I sense the minister has been telling us and what she will probably tell us again as to why we are doing this. It is not good enough.

As I said a minute ago, I oppose this legislation on a couple of very basic principles. I believe the first one was contained in a letter that both my colleague the member for St. Catharines and the New Democratic Party critic, the member for Oakwood (Mr. Grande), referred to, that bigger is not better.

I think it was a letter written by the teachers from North York to the minister or to somebody. I saw a copy of it some place. That has always been one of the fundamental differences between our party and the government. It is this question: when does bigger become better? The trend has clearly been for the government of the province to move into bigger and bigger organizations.

The minister has said clearly that we are dealing only with Metro Toronto. It does not affect the rest of the province. I would like to remind my colleagues, in 1953 when the Metro Toronto organization was set up here and when the Metropolitan Toronto School Board was set up, no one in his wildest imagination suspected that 16 to 18 years or so later that same model would be imposed on the whole province.

We had a Metro board in the Toronto area in 1953, but by 1969 we also had consolidated school boards across the whole of the province. We had a form of regional government here in Metro Toronto in the early 1950s, but the province almost, not quite, blanketed us with regional governments from one end of this province to the other.

The government tells us: "We are only concerned about Toronto. Toronto is that unique organization. It will not affect the rest of the province." I am sorry; excuse me if my credibility threshold is somewhat low. I believe not what the government says, but what it does. It

may be true that for the next year or two we will be looking at only Metro Toronto, but some way, somehow, this principle is going to get out to the province. That is the way this government believes organizations should operate: the bigger they are, the better they are.

There is another little hook in that. What it is really saying is the bigger they are, the fewer of them there are and the fewer it has to deal with. That is a principle which is applied in everything. More recently, it was the health units across the province and there have been others that have been suggested. That is the principle with all the organizations it has to deal with. It makes them bigger and bigger, but in the process it also has fewer to deal with. When one has fewer to deal with, it is easier to pull them in and get them to do what one wants them to do. Once again, this is not a case of what we think, it is a case of what actually is happening.

I am opposed in principle to this tendency of the government to make organizations bigger and bigger. In this party we believe we should be going in the opposite direction. We believe we should be seriously looking at whether we need a Metro board in Toronto at all. We think we should be seriously looking at every single regional government and every single consolidated school board in this province and be asking ourselves whether those large units are working as effectively as they should and where some of them may be made smaller. That is what we should be looking at. That is the direction in which we should be going; not fewer and bigger but more and smaller.

It is on that general principle, that tendency to move to things which are bigger, that I am opposed to this legislation.

The second principle upon which I oppose it is the whole question of accountability, of local autonomy, whatever terminology one wants to use. We have had respect in this province, or at least we have said that we have respect, for the locally elected municipal councillors and the locally elected school board trustees who are making decisions on behalf of the people who elected them.

That is the principle of accountability that we have used in this province right from its formation. We have changed the size and the shape of the organizations I have just talked about, but the principle of direct accountability goes right back to the old English principle of representation: only those who represent you, who are chosen or elected to represent you, are the ones who are going to make decisions on your behalf.

This legislation flies in the face of that principle. We are going to have a board which is appointed, not elected, making these decisions. It is true that the individual members of that board were elected by someone, but they were not elected to that specific organizational pattern. They were elected to the board of the city of Toronto, the borough of Scarborough, the city of North York, the borough of York, the borough of Etobicoke or the borough of East York. They were elected to those. There is not a single man or woman in the Metro area who was elected to the Metro school board.

If what we are leading to is the abolition of all of the other boards in Metro—and quite frankly I have a strong suspicion that this is leading to our sinking all of them into the single Metro board—I would prefer that the minister and the government stand up and clearly state that. There is a favourite expression of the Premier (Mr. Davis). He often fires barbs across this floor by saying: “Stand up and say what you really mean. Do not hint at it, do not suggest; stand up and tell us if that is what you really intend to do, if that is what you really believe in, if that is what you really support.”

I am going to turn it around. I am going to say to the minister and to the government, if they really intend, over the next few years or whatever length of time, to create a single Metro board that is going to govern all of Metropolitan Toronto, then let us get it on the table. In other words, let us debate the real issue, not this phoney issue, which is what it is. That is one of the reasons we over here are sceptical and have a low tolerance of the government's credibility; and it is why we have strong suspicions that there is more behind this than what is printed on this piece of paper.

That is the second big reason that we are concerned. The first is the question of size; the second is the question of accountability.

**10:20 p.m.**

The third point I want to draw members' attention to is that an awful lot of this has to do with the whole question of financing. I understand the minister has already indicated that the one-mill levy has been changed back to 1.5 for elementary purposes. At some point along the way I would like the minister to explain to us to what extent that changes section 8 of this bill. Does it mean that we just take all of the parts of section 8 where it says “one mill” and change them to “1.5”? Or does it mean that section 8 is going to be dropped from the bill altogether? I



do not know. That is something we would like clarification on.

But the issue behind all of this, again, is financing, the problem with money, and we know that during the last seven years this province has slowly but steadily reduced its financial responsibility for education in Ontario to a very significant extent.

I have a paper entitled Grants Policy, dated June 8, 1982. There is a very significant sentence in it. This is from the grants section of the Ministry of Education. It says, "It is acknowledged that the rate of provincial support for education has decreased between 1975 and 1982."

Let me just share with members the extent to which it has decreased. In 1975, the government of Ontario supported education in this province to the extent of 61.3 per cent of the total cost. In subsequent years that went down to 55 per cent, 54 per cent, 53 per cent and 52 per cent, until 1981, when it was 51.3 per cent; and in 1982 it is also going to be 51.3 per cent. That means since 1975 the share of funding of the province of Ontario has dropped from 61.3 per cent to 51.3 per cent, or a full 10 per cent drop.

Put in percentage terms it may not seem all that serious, so let us put it in dollar terms. Do members know what that 10 per cent means? It means \$534 million that Ontario is not funding to the school boards. It means that the school boards of this province either have had to do without or have had to make up that \$534 million on their local mill rate.

I point out that back in 1970 the then Minister of Education, who is now the Minister of Intergovernmental Affairs (Mr. Wells), committed—and the Deputy Premier (Mr. Welch) knows whereof I speak; as a matter of fact I think he was the Minister of Education in 1970, was he not?

**Hon. Mr. Welch:** In 1971.

**Mr. Sweeney:** Okay. I am close. Anyway, one of them made a commitment—

**Mr. Foulds:** Ten months. Shortest term on record.

**Mr. Sweeney:** One of them made a commitment that Ontario was going to fund 60 per cent of the cost of education. That was a commitment: 60 per cent. Yet since 1975 they have gone from 61.3 to 51.3. So when I talk of \$534 million that the province should be paying and is not, that is a commitment; that was a promise those people made, and they did not keep it. That is one of the reasons we are having a problem in Metropolitan Toronto today. It is

not the only reason, but it is one of the reasons we have to be aware of.

I indicated earlier I was opposed to this bill because it would bring in unnecessary complexity and confusion. I want to draw members' attention to section 130i(3) of the act as set out in this bill, which deals with the Ontario Labour Relations Board. To the best of my knowledge, and I stand to be corrected by the minister, the Ontario Labour Relations Board is not involved in any way and no reference is made to that board in negotiations in Metro Toronto now.

Yet this section clearly says "the Ontario Labour Relations Board may so declare and may direct what action boards, branch affiliates and their employees and agents shall do or refrain from doing." That is a brand new introduction of a whole new agency of government into the negotiation process in Metro Toronto. It goes so far as to say, in subsection 4, "the Ontario Labour Relations Board shall file" and it "is enforceable in the same way as a judgement or order of the Supreme Court."

Why do we have to introduce that degree of complexity and that degree of—the word litigation is what comes to mind; I do not know what else to call it—in the negotiation process between the teachers and the boards in Metro Toronto? Why do we want to involve the Ontario Labour Relations Board? We already have the Education Relations Commission, we already have Bill 100; why do we have to bring the labour board into it? I do not understand the need for it.

I guess that is the price we are going to have to pay if we get this legislation, because the whole negotiating process is going to become increasingly more complex. For example, we have to ask ourselves what is going to be the relationship between this master agreement and the local agreements? If there is a grievance, which one applies? How does it tie in with Bill 100, which says that the agreement becomes part of the teachers' contract? Which agreement: the master agreement, the local agreement or both of them? Bill 100 says—

**Hon. Miss Stephenson:** Simple. Simple.

**Mr. Sweeney:** Which? That is the whole point. It is just building up all this unnecessary complexity. There is a part of Bill 100 that says that the outside team can come in if things are not working. Is this going to be possible here? Is it going to be possible at the master level? Is it going to be possible at the local level? These are the kinds of questions being raised.

I notice the time is getting short and I do not

want to go beyond 10:30 p.m., but I want to suggest that it introduces unnecessary complexity. It is going to introduce unnecessary, and as someone said, endless litigation that is not there right now.

The minister has indicated—and I think of that famous speech she gave to the St. David Progressive Conservative Association the other night—that one of the things that concerns her is the way in which the city of Toronto board is able to pass on its deficits to all the rest of Metro Toronto. I was not aware that was happening, but if it is I would agree with her that it should not happen. However, if that is her concern, surely she could bring in a piece of legislation or change existing legislation to deal with that specific issue.

It is the old situation of using a sledgehammer to kill a mosquito. Sure, it is a problem. So bring in specific legislation to deal with the question of deficits. If she is concerned about a certain practice of the city of Toronto board and thinks it is an improper and unfair way to distribute the

costs, she should bring in a piece of legislation to deal with it. Surely we do not need this to deal with that kind of problem.

**Hon. Miss Stephenson:** It is in there, John. It is in there. It is in that piece of legislation, John. Read it.

**Mr. Sweeney:** As my colleague, who is well versed in the law, would say, it is overkill. Even the minister will agree that when that kind of legal opinion comes from my colleague from Ottawa, I must take cognizance of it.

**The Acting Speaker:** It might be an appropriate time to move adjournment of the debate.

**Mr. Sweeney:** This is the appropriate time to say to my good friend from Thunder Bay, I am sorry, but I really have not yet wound up. I still have a couple of minor things to say.

On motion by Mr. Sweeney, the debate was adjourned.

The House adjourned at 10:30 p.m.

#### ERRATUM

No.	Page	Column	Line	Should read:
82	2948	1	28	saying, "A Conservative member will help you"? Don't give us that routine.



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Ontario

No. 89

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Friday, June 25, 1982

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Friday, June 25, 1982

The House met at 10 a.m.

Prayers.

## VISITOR

**Mr. Speaker:** I ask all honourable members to join with me in recognizing and welcoming in the Speaker's gallery His Excellency Paraskevas Avgerinos, Minister of Health and Social Services of Greece.

## OMBUDSMAN'S REPORT

**Mr. Speaker:** I beg to inform the House that I have today laid upon the table the ninth report of the Ombudsman. For the information of all honourable members, their copies are in their post office boxes.

## DEATH OF GORDON LAWS

**Hon. Mr. Wiseman:** Mr. Speaker, I know that the members of the Legislature and many others at Queen's Park who worked with Gordon Laws throughout the years will be saddened to learn that Mr. Laws passed away on Sunday after a lengthy illness.

The death occurred after Mr. Laws's retirement from the Ontario public service and a career which spanned more than 25 years. During that time he earned the esteem and admiration of all as he directed the provision of accommodation and support services here in the Legislative Building on behalf of my ministry, the Ministry of Government Services.

I want to extend my personal condolences, as well as the sincere sympathy of the members of this House, to the wife and family of Gordon Laws in this time of bereavement.

**Mr. Conway:** Mr. Speaker, I want to associate myself and my colleagues entirely with the remarks of the Minister of Government Services. Those of us who have worked in this place know only too well the tireless efforts that the late Mr. Laws made on our behalf. His responsibilities in allocating the space in this Legislative Building were made very difficult on occasion by some of us and he always, I thought, handled the ever-sensitive politicians with great charm and great effect.

I want to express on behalf of myself and my

colleagues our sincerest appreciation and condolences to his family.

**Mr. Foulds:** Mr. Speaker, I too would like to join, not only as a representative of the New Democratic Party caucus but also in a very personal way, in extending my sympathy to the family. Gordie Laws was a person whom I found most easy to work with. He was a very dedicated public servant, and perhaps in this day and age we should remember that there are people like Gordie Laws throughout the public service of this province who work in very difficult circumstances.

As the previous speaker has indicated, he tried to sort out the roaring egos of various members of the Legislature, in this case with regard to office rights. Gordie Laws always did that with extreme courtesy and good humour. If there was a way to get something accomplished that was legitimate, Gordon Laws would find it. We all miss him very much.

## STATEMENTS BY THE MINISTRY

### INMATE WORK PROJECT

**Hon. Mr. Leluk:** Mr. Speaker, I am pleased to announce that negotiations for a trout processing and bulk packaging operation on the property of the Guelph Correctional Centre are nearing completion. The plant will employ inmate workers and is the latest of several similar partnerships between this ministry and private enterprise which benefit our programs and the taxpayers.

Under the arrangement with the Ontario Trout Producers Co-operative Ltd., which we hope to have finalized within three weeks, fresh trout will be eviscerated, washed, bulk-packaged and stored in refrigerated areas by inmates. The co-op will provide supervision, the necessary tools and protective clothing.

Inmates will be paid the current wages for such work. Initially, six inmates will be employed. If the operation proves profitable to the co-op, the number of employees could be increased to include private citizens and more inmates.

The processing operation will utilize 6,000 square feet in a building which once housed the ministry cannery operation, now located at the

Burtch Correctional Centre in Brantford. Inmate labour will be used to refurbish the building, with the co-op providing the materials. The work includes pouring a new concrete floor, repainting the interior and installing live-fish holding tanks. The co-op will also install a storage freezer.

The Guelph site was selected partly because of the presence on the property of two spring-fed lakes, from which fresh water can be drawn for the holding tanks, and the existence of effluent pretreatment facilities originally set up to serve the cannery and an abattoir.

The processing plant will benefit Ontario trout farmers, inmates and taxpayers. The trout farmers feel the plant will help them to gain a larger part of the trout food market in Ontario, which currently relies heavily on imported fish. The co-op will pay rental for a government-owned building which previously has not been fully utilized.

Inmates who work in the plant will contribute from their wages to their room and board, and will pay taxes and help support their families, thereby keeping them off the welfare rolls.

The trout processing project, although smaller in size, is similar in program structure to the meat packing operation already operating on the Guelph property. This successful venture between the ministry and a private business firm has been in operation for eight years and employs approximately 40 inmates as well as citizens from the Guelph community.

I am pleased that with the country's present economic climate, this government through my ministry is able to participate in an arrangement that will help the small business sector, in this case the trout farmers of Ontario, to more successfully market their product.

#### WITHDRAWAL OF UNPARLIAMENTARY LANGUAGE

**Mr. Cooke:** Mr. Speaker, I am raising a point of privilege this morning that concerns me very much. I returned home to my riding last night to attend a high school graduation. When I picked up my local newspaper, I saw on the front page a story titled, "PC Labels Cooke a Retard." There may be some smiling faces around, but this morning I had a call from a father of a mentally handicapped child in my riding who really felt upset about this comment being made. My constituency office has been flooded with calls this morning.

I might point out that the story is a result of a comment made in this Legislature on Wednesday

night by the acting government House leader (Mr. Gregory). I understand the acting government House leader withdrew the remark that night, but then the story goes on to say, "Mr. Gregory, appointed to act to be the go-between between the majority Conservatives and the other House leaders when Wells went into hospital for a coronary bypass operation, said he did not regret the comment."

Because of the large number of complaints and because of the unfortunate comment that was made in the Legislature, I ask that the minister make it very clear in the Legislature this morning that in fact he did withdraw the remark. I think he owes myself, my constituents and the members of the Legislature an apology.

10:10 a.m.

**Hon. Mr. Gregory:** Mr. Speaker, as you know, after having made the statement, I expressed to you my regrets and withdrew the statement. If the member for Windsor-Riverside will consult with his House leader, he will know that is so.

At the House leaders' meeting yesterday, I also expressed my feelings on the matter. I cannot be responsible for the story that appeared in the Windsor paper. I think that in consultation with his House leader, the honourable member will realize that I have extended regret for having made the statement. I have nothing more to say.

**Mr. Speaker:** I point out to all honourable members that perhaps this will serve as an example of the use of intemperate language in the assembly. It is unfortunate that this type of thing happens, and I think we all must use common sense and caution with regard to the language that is used in this chamber.

#### AGRICULTURAL AND HORTICULTURAL SOCIETIES AMENDMENT BILLS

**Hon. Mr. Timbrell:** Mr. Speaker, later today I will introduce a bill to amend the Agricultural Societies Act, which will raise the maximum government grant towards cash prizes at agricultural exhibitions to \$2,000 from \$1,500 annually. Agricultural societies, which organize fairs around the province, currently award more than \$2 million a year in prize money to exhibitors of livestock, fruits and vegetables, other agricultural products and home crafts.

The \$1,500 limit was set more than 20 years ago. Since then, costs have escalated sharply as a result of inflation and the growing number of exhibitors. Nearly two thirds of the 230 societies



now are receiving the maximum grant, which means they must absorb the full cost of higher payments to prize winners. By raising the maximum grant by \$500, the amendment will better assist societies to finance agricultural exhibitions. Current government expenditures under this program are about \$300,000, which likely will increase to \$400,000 under the new ceiling.

Other amendments proposed in the bill will simplify the paperwork involved in dealing with government under the act. Both the increase in grant levels and the procedural changes have been advocated by the Ontario Association of Agricultural Societies.

I also will be introducing a bill to amend the Horticultural Societies Act. This bill has two major purposes. First, it will permit the formation of new horticultural societies in local municipalities having a population of 25,000 or more. Second, it will incorporate all societies.

Under the present law, only municipalities with more than 100,000 people may have more than one horticultural society. That restriction was imposed when local boundaries were far different from what they are today. With the grouping of small municipalities into larger units, the provision has effectively prevented a number of communities from having their own societies.

The amendment, which has been requested by the Ontario Horticultural Association, will permit two societies in municipalities of 25,000 people or more, and will allow an additional society for each additional 25,000 people.

The 250 societies which exist at the moment, with a combined membership of 60,000 Ontarians, perform laudable service to their communities through landscaping, beautification and other horticultural projects. The provincial government assists these endeavours through grants totalling about \$200,000 annually.

The second major amendment, which incorporates the societies, will afford a measure of protection to members of these nonprofit community service organizations. The changes will enable these community initiatives to continue to flourish.

## ORAL QUESTIONS

### JOB CREATION

**Mr. Conway:** Mr. Speaker, my question is to the Treasurer. It concerns a couple of things, not the least of which is the statement the Treasurer has made repeatedly that, as he

imagines it, the principal thrust of his May 13 budget is and was job creation.

Undoubtedly the Treasurer will recall that some days ago his colleague the Minister of Industry and Trade (Mr. Walker) stood proudly in his place to announce that Sanyo Machine Works of Japan would be establishing a plant in the great town of Elmira in north Waterloo.

Mindful of the fact that, according to statistics, there were approximately 400,000 Ontarians out of work in May 1982, and knowing of his recent interest in things Japanese, was the Treasurer aware that the nine-job project in Elmira, announced with such fanfare by the Minister of Industry and Trade, was going to begin with nine people all right, but that eight of them would be Japanese nationals working in a management function at that establishment?

**Hon. F. S. Miller:** Mr. Speaker, the type of question my friend is asking would be better directed to my colleague the Minister of Industry and Trade when he is here, because he deals with those matters.

The honourable member was in Japan recently. I believe he used the services of our government while he was there to become acquainted with some of the things there. I believe he found that a worthwhile experience. I hope that during his trip to China he also had some experience and picked up a few points along the way.

**Mr. Bradley:** Both paid for by himself.

**Mr. Speaker:** Order.

**Hon. F. S. Miller:** I think one would recognize in visiting a country like Japan that we have a major opportunity to encourage them to start procuring materials in Canada and to get involved in joint ventures in Canada. I suggest to my friend that one of the most important functions of our government is to welcome that type of investment, and not to criticize nine people—

**Mr. Kerrio:** Nobody is criticizing.

**Mr. Speaker:** Order.

**Hon. F. S. Miller:** Not every company starts big; most firms start in a small way and grow. If in the beginning it requires some technical experts to come to this country to set up the company and to train people who can take over those positions, so be it. Canadians have done that around the world when we have sold our expertise. I suggest that other countries do, too. In the long run we will be the beneficiaries if we create a welcome attitude for them.

**Mr. Conway:** I certainly appreciate the Treasurer's answer, but he will undoubtedly

appreciate our frustration at having been given only part of the goods that day some weeks ago when the Minister of Industry and Trade stood in his place. It might have been more helpful, since this government's stated aim is to create jobs to alleviate the burden of 400,000 unemployed—

**Mr. Speaker:** Supplementary, please.

**Mr. Conway:** Since the Treasurer has indicated that training is going to be an important part of all this, is he aware that the manuals that are going to be used in that north Waterloo establishment are going to be printed in Japanese only? Will he indicate whether and when the government of Ontario is going to embark upon a Japanese-language program for Ontarians in that part of the province who might like to work in that plant? If it is not, can he indicate more definitively than his somewhat less than forthcoming colleague the Minister of Industry and Trade just how it is, between now and the millennium, that this Elmira project is going to add significantly to the job opportunities for Ontarians?

**Hon. F. S. Miller:** My friend talked of his frustrations. I want to say that since the election of 1981, I do not know of any member on that side of the House who has evidenced more frustration and pique than himself. I do not think that question did it; it has just been a function of his life since the date last year when we beat them. That has been one of the constant, ongoing hurts.

I am very concerned about the 400,000 unemployed in this province. But I am also very pleased that in the month of May, by actual count, 109,000 more people were at work at the end of the month than at the beginning of the month. That is by actual count. On a seasonally adjusted basis, it was much lower, but it was still positive.

If the Japanese use, as they always have, their ability to penetrate markets by providing information in the language of the marketplace and by adapting their product to the conditions of the marketplace, I suggest that it will not be long before all those manuals are in excellent English.

I also caution the member that at this particularly delicate time in our relationships with Japan, a time when they really are considering offshore investments, we on both sides of this House, in the interest of jobs in this province, should not sound too critical.

10:20 a.m.

**Mr. Foulds:** Mr. Speaker, I hope I do not sound too critical, but surely the Treasurer is embarrassed when his colleague gets up to make a major announcement that he has created nine jobs in Ontario, and today he finds out that eight of those nine jobs are not going to Ontarians. Is that not a shameful kind of job creation in this province?

**Mr. McClellan:** It's a fraud.

**Mr. Foulds:** It is a fraud and misleading. Surely it is about time the Treasurer and his government brought in legislation and tough conditions so that when any firm invests in and creates a firm in Canada it has content in terms of the manufacture of components here and content in terms of jobs. Surely that is not asking too much.

**Hon. F. S. Miller:** Mr. Speaker, as a matter of fact, Ontario, led by the Premier (Mr. Davis), myself and the Minister of Industry and Trade, has very clearly let the federal government know that we want a higher Canadian content in products such as automobiles sent to this country and that we are going to see that it happens. We are getting co-operation these days from the federal government in that matter; it has slowed down the entry of Japanese cars to our country while we negotiate better deals, and I am not ashamed.

If the honourable member went to the Middle East and looked at the projects that are going on there, he would find hundreds of Canadian engineers there at this moment. They are taking our expertise there and training people in those lands. That, I assume, is what the Japanese are doing here. There are very limited numbers of people with certain skills in high-technology areas. Only by bringing in experts can one produce one's own home-trained ones. Let us give them the chance. I am not the least bit embarrassed to see any company come to this country. We welcome them.

**Mr. Conway:** Do I take it from the Treasurer's second answer to my question that the policy of his government vis-à-vis small business is that the way to start a small business in Ontario is to start a big one and wait? Is that the position?

Since the Sanyo Machine Works contract was made 11 years ago, in 1971—so we are told by ministry officials—and since the Treasurer was anxious to draw out my recent experience, I want to ask him whether he could take this opportunity, since I do not believe he has done so in the past three weeks, to express himself on what public benefits might accrue from his



publicly funded trans-Pacific venture of late May? Is there some announcement that might be forthcoming five or 10 years hence, saying it might add a job or two somewhere across this province?

**Hon. F. S. Miller:** Obviously the member has not done what I have done for a good part of my life. I have been a salesman, an unashamed salesman. I have learned that it takes quite a while to sell some customers. You do not just sit back home on your fanny and wait for them. You have to go out and sell. That is what I was doing in Japan, unashamedly. I was selling Ontario, and we will get results.

**Mr. Martel:** That's what Stan Randall used to tell us. You are a super salesman. You have been selling this country out for years.

**Mr. Foulds:** Ever heard of Death of a Salesman?

**Mr. Speaker:** Order.

**Mr. Conway:** I do not know what kind of mendicant or itinerant preacher could match the Treasurer's distinguished working career. I do not profess to try.

**Mr. Speaker:** Question, please.

**Mr. Conway:** I certainly will proceed with the second question, but not to the Attorney General (Mr. McMurtry), who, by virtue of last evening's performance, is undoubtedly getting all geared up for Sunday's Queen's Plate.

**Mr. Speaker:** Question, please.

**Mr. Conway:** If the starter begins with a prayer, the Attorney General will win the day.

### HOSPITAL CHARGES

**Mr. Conway:** My question, Mr. Speaker, is to the Minister of Health, who was here a moment ago.

**Mr. Speaker:** The minister is not in his chair.

**Mr. Conway:** In the absence of the putative Premier, the Minister of Health, I will turn to the Premier (Mr. Davis) himself.

**An hon. member:** Here he is. Here is the Minister of Health.

**Mr. Conway:** You can appreciate, Mr. Speaker, how I want to accommodate the Minister of Health.

**Mr. Speaker:** Question, please.

**Hon. Mr. Davis:** We will rename this Hart House.

**Mr. Conway:** I have been called worse by better.

**Hon. Mr. Davis:** I wasn't calling you anything.

**Mr. Conway:** The Minister of Health will know that on December 4, 1981, no less a person than the Premier stated that as part of the business-oriented new development plan announced by his colleague, the now Minister of Agriculture and Food (Mr. Timbrell), the new hospital surcharges on private and semi-private beds are not and would not become user charges, since these beds are "by and large an insured service for 99 per cent of the people who have private or semi-private rooms."

Given that the government has just approved premium increases of between 21 to 65 per cent for the Blue Cross carrier, largely as a result of the new increases allowed and encouraged under the BOND program, has the government not imposed new user charges on more than 800,000 Blue Cross subscribers?

**Hon. Mr. Grossman:** Mr. Speaker, no, we have not. We would make the point that these are not user charges; they are an attempt to allow some opportunities for hospitals to bring more money into the system. The net effect is that the majority of people who will be paying those moneys into the system will be those who can afford to pay that extra money.

The sum and substance of it is a question of whether it denies access to the system to any citizen of Ontario. Those who currently buy Blue Cross for that coverage should be aware that the legislation in place in Ontario entitles them to whatever accommodation they need in whatever facility they require at no cost, if their physician so indicates. For those who are making the choice to pay the extra premiums to acquire the extra coverage, it is for services which they do not specifically need but which they prefer to have. There is quite a substantial difference.

**Mr. Conway:** Undoubtedly the Minister of Health, in these dying hours of Senior Citizens' Week, which is being widely advertised by the propaganda arm of this government under the banner title "We have a lot to share," will be making a special effort to tell the 200,000 seniors who subscribe to Blue Cross that these are really not significant matters vis-à-vis their health coverage.

Is the minister aware that, of all the Blue Cross users, those who will be undergoing the largest single premium increase are the seniors, who will see their rates go from \$6.18 to \$10.20 a month, an increase of something in the order of 65 per cent? Are we to take this action by this government as a concrete indication that these

200,000 seniors have more than just an average lot to share?

**Hon. Mr. Grossman:** The honourable member will be interested to know that when we were in Ottawa discussing user fees at the health ministers' conference, even Monique Bégin—and the member will remember her from when he used to be a Liberal—even she acknowledged—

**Mr. Kerrio:** You will remember her when she straightens you out.

**Mr. Speaker:** Order.

**Hon. Mr. Grossman:** The member will remember her again soon if she does better at the polls. He should not rush to judgement.

**Mr. Speaker:** Now to the question, please.

**Hon. Mr. Grossman:** On Tuesday, the member for Niagara Falls (Mr. Kerrio) may be a Liberal again. Who can tell?

In any case, the federal minister is quite properly concerned to make sure that throughout the country, user fees do not operate as a barrier to health care services. It is something I feel strongly about, and I agree with her. Even she acknowledged that certain aspects of the BOND program, with which she was familiar, were not tantamount to a user fee.

That is important because those who have studied the system in depth, and her civil servants are quite capable and have studied it in depth, have agreed that the definition of a user fee and what is and what is not a barrier is a complicated thing. One of the problems we have is that when something innovative is introduced, a year or so is required to work out all its implications. I think there will be some adjustments required after a year.

Understandably, political process being what it is, there are certain perceptions that our seniors and others have about the system which make them believe there are these barriers that fog or hide the fact that they do have certain rights under the legislation to acquire the accommodation they have always been entitled to, whenever they need it, without paying one cent more.

10:30 a.m.

One of the things we do have to grapple with, and I say this as a minister who has been grappling with these kinds of communications problems with the public in three ministries, is to get the realities of the legislation through to the public.

I respect your right to draw these concerns to the public's attention about the problems inher-

ent in a new business-oriented new development program; there will be some. The flip-side of that coin is that the public does not understand nor is particularly aware of their rights under the legislation.

My only fear is that if I begin to take out advertisements in the newspapers, perhaps the member for Windsor-Sandwich (Mr. Wrye) will rise in the House and complain that I am doing too much government advertising. I might choose to run that risk, anyway, in order to get around the problems raised by, as the Premier (Mr. Davis) would put it, "your Hart House rhetoric," but that is an understandable part of the process. I know the member will help me in explaining these matters.

**Mr. R. F. Johnston:** Mr. Speaker, I wonder if the minister could offer some advice to two of my constituents.

**Hon. Mr. Grossman:** Yes. Get a new member.

**Mr. R. F. Johnston:** A very funny answer, but when the minister hears about the problems these people have he may not think that witticism is the best response.

Margaret Smith of my riding, who is a cancer victim and on a basic pension, has been hospitalized three times in the last few months. She had Blue Cross coverage but, each time, was put into a ward because there were no beds in semi-private rooms available. She has asked me whether she should renew her Blue Cross coverage at this point because of the special needs of a cancer patient like herself, an older woman, even though she cannot afford it and has no guarantee of getting a bed in a semi-private room.

And what about Mrs. Ruth Lunel, whose husband has been in Scarborough General Hospital over the last number of months and who has just been billed several hundred dollars over what her Blue Cross will cover for semi-private because the hospital says that their costs are higher than that? What is the minister's advice to those two people?

**Hon. Mr. Grossman:** My advice would be to refer them to the Public Hospitals Act, section 31—

**Mr. McClellan:** Who enforces that?

**Mr. Speaker:** Never mind the interjections.

**Hon. Mr. Grossman:** I cannot be sure but perhaps the member and his constituents are not aware of this—



**Mr. Foulds:** Why have you got your arms crossed? You are very defensive on this one.

**Hon. Mr. Grossman:** Tell your acting leader to take this matter seriously, Richard.

The member asked what advice I would have for his constituents. I am sure he has already informed his constituents that section 31, and I will read it to you, would give them the right to acquire whatever accommodation they require in that hospital, in preferred accommodation if they so require—all that needs to happen is that the attending physician indicate that they require that preferred accommodation—without any extra charge whatsoever. The hospital does not have the option but the obligation to provide that preferred accommodation under the legislation of the province.

**Mr. Conway:** Appreciating, as I always do, the partisan introduction to the minister's answers, I just want to say that the minister will know from having single-handedly disembowelled the Treasurer (Mr. F. S. Miller) and his hospital policy that these are difficult issues. I can certainly appreciate how he would have a special knowledge of that.

Can the minister indicate whether he has had any discussions with his colleague the Minister of Consumer and Commercial Relations (Mr. Elgie) as to whether or not this is going to be the pattern? Can he indicate on behalf of the government whether he has had any discussions with this insurer or with any others to see what we are going to face across the entire sector?

Can he, now or later, indicate just how it is that the Premier did not confuse, if not much worse, the public of this province six months ago when he indicated that the BOND plan would not be a user program because it was all insured? The rates have gone up. For seniors, they have gone up by 65 per cent and it strikes me that is a significant additional burden by any description and a user charge by any objective standard.

**Hon. Mr. Grossman:** I will not take the time of the House to repeat all three: My assurance, the opinion of the member's former colleague, Monique Bégin and the legislation which affirms that is not a user charge.

Second, yes I have had some communication with my colleague, the Minister of Consumer and Commercial Relations (Mr. Elgie) on this matter.

Third, we are going to be speaking with the Ontario Hospital Association as the year progresses to analyse the history of BOND through

this year. As members know, the OHA also runs Blue Cross and it will give us an opportunity to review exactly what the implications have been.

I would be less than honest if I did not indicate to the member in all fairness that I was concerned about to what extent that rather large increase in Blue Cross coverage was attributable to the BOND program. I am not sure that a good portion of that is attributable to the BOND program because if one looks at the history of what has happened, not many hospitals have increased their preferred versus nonpreferred combination, nor have they increased it very much.

I do not think there is a single hospital that has increased its preferred accommodation anywhere close to 65 per cent. They tend to have been figures that are far, far lower than that. That is why I really want an opportunity to look at the experience of BOND at the end of the year.

I cannot resist closing the way the acting leader opened this morning and just saying my honourable colleague does not look like someone who has been disembowelled. He is the Treasurer of our party flourishing well under a fine budget. The man the members over there disembowelled in their caucus is in the Science Council of Canada. I bow to them when it comes to disembowelling.

#### MALVERN SOIL CONTAMINATION

**Mr. Foulds:** Mr. Speaker, I would like to put a question to the Minister of the Environment. I wonder if the minister can explain as briefly as possible why the contaminated radioactive soil in the backyards of the families at Malvern in Scarborough is still there when the urinalysis of children of that area released today show levels as high as that of a worker in a uranium processing plant?

**Hon. Mr. Norton:** Mr. Speaker, I am sure the honourable member knows that one of the principal reasons that situation has not yet been remedied is that the primary responsibility has in the past, continues in the present and presumably will continue in the future, to be that of the federal government.

However, under the circumstances, we in this government seeing the situation as it was and is, and the apparent inability or unwillingness of the federal government to do anything about it, undertook to assume some responsibility on their behalf in terms of attempting to move the soil.

I think the history of the situation is some-

thing that is known to the member in terms of the court actions that have been taken in the past and that have impaired the ability of the federal government to act. We are still actively working on it and I hope we will shortly have a solution.

**Mr. Foulds:** Can the minister tell us, since it is virtually impossible to keep children from playing in their own backyards, that it is at least his responsibility to give us a commitment that the soil will be moved and stored safely before the ground freezes this coming winter?

**Hon. Mr. Norton:** That certainly would be our intention. I cannot give any absolute assurances because I do not know what is going to happen tomorrow, a week from now or even in the next hour, I suppose.

Given the desire of some people in our society to frustrate our efforts, who knows?

10:40 a.m.

**Mr. Conway:** Mr. Speaker, given the very serious nature of this problem for those people in that part of Metropolitan Toronto; given the fact that he is Minister of the Environment and that this government has had a long-standing commitment to the nuclear option and its attendant responsibility; and given the fact that this Legislature's select committee on Ontario Hydro Affairs pointed to what he has not done in the past, can he as Minister of the Environment, on behalf of this government, which heretofore has done nothing but wash its hands of a responsibility which is at least to co-ordinate, indicate what, specifically, he has done and what specific commitments he is prepared to give to the parents and children in that particular part of Scarborough that action will taken along the lines suggested by the deputy leader of the New Democratic Party?

**Hon. Mr. Norton:** Don't you in your pompous style sit there and accuse me of washing my hands. Mr. Speaker, that material would be out of McClure Crescent today if a week or two ago the federal minister had had the guts to say, "Yes" when I requested that he reopen Chalk River. And would the member for Renfrew North support reopening Chalk River on a one-shot basis? Would the member have the guts to support reopening Chalk—

**Mr. Conway:** What are we paying you for? Why don't you resign if you cannot do anything?

**Mr. Speaker:** Order. I would ask the member for Renfrew North to contain himself while the minister answers his question.

**Hon. Mr. Norton:** Mr. Speaker, I think the honourable member is aware of the location of Chalk River. If he would like to see something done about that soil tomorrow, he could stand up here in the House now and make a commitment that he will support the Honourable Marc Lalonde in the reopening for one occasion only of Chalk River.

**Mr. Conway:** We have taken bloody enough at Chalk River; you guys can take your share. And you can quote me.

**Mr. Speaker:** Order. You have had your opportunity.

**Mr. Foulds:** Does the minister not understand that, while it is all very well for him to point the finger of blame at the federal government and at the honourable member who asked the supplementary, and while it is all very well for him to be shouting back and forth and then grinning after the exchanges, does he not understand—and I am looking directly at the minister—

Interjections.

**Mr. Speaker:** Order.

**Mr. Foulds:** Does he not understand that he is a member of the Ontario-Canada waste management committee? His government signed that agreement several years ago, and it is his responsibility to come up with a solution through that committee for the storage of low-level radioactive waste. Why will he not take that responsibility and work through that committee to find a solution rather than wave fingers back and forth here in the House when the children of those families are playing in radioactive soil about which he is doing nothing?

**Hon. Mr. Norton:** I can assure all honourable members of the House that we are attempting to do something and we will do something. However, the pointing of fingers is not insignificant. The point of the matter is that here is a member who was ranting and raging in righteousness across the House, and at the same time, when I pointed out one of the possible alternatives, he hastily said, "Not in my backyard."

**Mr. Kerrio:** Who caused it in the first place? Interjections.

**Mr. Speaker:** Order.

**Hon. Mr. Norton:** We are trying our very best. I know the solution to the problem in a general sense. It is something that is going to require the co-operation of both federal and provincial governments, and we have been seeking that. However, as recently as a week or a week and a half ago, perhaps, in a conversa-



tion I had with a federal minister urging that we co-operate, the response I got was, "Well, I will watch with interest to see how successful you are." That was the extent of the co-operation. That does not mean we are quitting; we are still working at it. But it does mean that it looks as if they are going to let us do everything on our own.

#### GENDRON INDUSTRIES INC. SHUTDOWN

**Mr. Foulds:** Mr. Speaker, I have a new question for the Minister of Labour. Will the minister inform the House what action he is taking to avoid the impending loss of 125 jobs at Gendron Industries Inc. in Toronto? As I am sure the minister is aware, that firm, which manufactures baby carriages and strollers, is in receivership and the receiver is about to sell off the assets, including the dies in the plant, which will mean the plant will close forever and the jobs will disappear. What steps is the minister prepared to take to attempt to delay the sale of those assets and dies so that alternatives for saving the plant can be found?

**Hon. Mr. Ramsay:** Mr. Speaker, that matter is at present under study by the legal department of the ministry to see just what we might be able to do to assist.

**Mr. Foulds:** Can the minister tell us, if his legal department finds there needs to be additional legislation brought in, if he will do it before the end of this session so that the \$1,000 he has put into the feasibility study that is being carried out jointly by his ministry, the federal government and the Steelworkers, will have some possibility of success? Will he at least bring in legislation to stop the sale of the assets of that company until the offer to buy into the company, made by the workers, gets real consideration?

**Hon. Mr. Ramsay:** Mr. Speaker, I am quite cognizant of the seriousness of the problem, but I cannot assure the honourable member we would take the step of legislation.

**Mr. Foulds:** Since there seems to be an agreement between the union, some of the production and management people in the plant and the Department of Employment and Immigration that the plant could be and is successful and viable, and since there appears to be information that the previous management used it as a cash cow, milking it dry for other ventures, does the minister not think this company would be a prime candidate for the

government's buy-back policy as announced in the speech from the throne?

I quote: "The current economic downturn has led to a number of plant closures and bankruptcies. In order to enhance the chances of saving such companies, the government will attempt to determine which companies can be saved through our highly successful buy-back program." Does the minister not think this plant is a prime candidate? Does he not think that should be done before July 1, when it will be a fait accompli that the plant will close if he does not take action?

**Hon. Mr. Ramsay:** I assure the honourable member that everything possible that can be done is being done at the present time.

#### INCO DISPUTE

**Mr. Haggerty:** Mr. Speaker, I would like to direct a new question to the Minister of Labour. The minister is aware of the controversial news release issued by Inco Metals on June 23, indicating that further measures to reduce production and costs will be taken throughout its operations. Included in the measures is a further extension to October 3, 1982, of previously announced shutdowns in its operations in Ontario. Would the minister agree that bad-faith bargaining existed on behalf of the company, when it withheld such important company policy relating to employees' welfare from the bargaining table?

**Hon. Mr. Ramsay:** Mr. Speaker, perhaps I could give a bit of the history and background. Two weeks ago today, I chaired a meeting with representatives of the company and representatives of the union, at which time the management people laid out the extent of the problems in the market. I am referring to the world market as far as Inco prices and Inco production is concerned. The problems being experienced by Inco are widespread around the world.

At that time, the management officials pointed out to the union officials that there would have to be a further layoff, when the holiday period at the end of August was over, which would probably stretch to September 3. At that time, they also indicated there was a strong possibility the layoff to September 3 would have to be extended if market conditions continued to deteriorate and that they were monitoring the situation on a day to day basis. Apparently, the market conditions deteriorated and 10 days later Inco announced a further extended layoff until October.

I think it is relevant and significant that at the

same time they announced that Inco's layoff would extend to October 3, they were also announcing a two-month layoff in the Thompson, Manitoba, operations of the company.

**10:50 a.m.**

**Mr. Haggerty:** The adversity that follows this company announcement will deny employees the right of entitlement to unemployment insurance benefits. Would the minister agree that some measure of redress in the present labour dispute is now warranted? Would he agree that the company's integrity at the bargaining table demands a full inquiry either by the Legislature or by some other body concerning management's handling of this current labour dispute?

**Hon. Mr. Ramsay:** There has been a very intensive effort by my ministry this week to get the parties back together. That is the prime objective and I am sure the member will agree with that.

The bargaining committees from Sudbury and Port Colborne have been in Toronto all this week, at our request. Meetings have been held almost nonstop each and every day between ministry officials and the bargaining committee of the union. Further meetings have been held each day with ministry officials and management officials of Inco. One such meeting is going on at the present time and I am anxiously awaiting its outcome.

The point I am trying to make to the honourable member is that every effort is being made this week to get them back to some meaningful negotiations. I am sure the member will agree there is no sense in getting them back to the bargaining table if neither side is prepared to change its present stance. That, as frankly as I can put it, is the problem confronting us at the present time.

**Mr. Laughren:** Mr. Speaker, would the minister agree that Inco has at its disposal a way of resolving its problems concerning both cash flow and inventory: namely, extended shutdown? Since the extended shutdown already announced will go part way to resolving both their cash flow and inventory problems, that should not preclude them from countering with a decent and improved offer to the workers in Sudbury from the last one they made.

**Hon. Mr. Ramsay:** I was naturally disappointed at the announcement of a further layoff and earlier this week expressed this opinion to the honourable member privately. The announcement came right in the middle of extended efforts to bring the parties together again. On

the other hand, I do not think it would have been practical or ethical to bring the parties back to the table without that knowledge having been put forward.

I am reluctant to say too much more at this time because, as I said earlier, there are some very sensitive meetings going on at this moment. It is hoped that they will continue throughout the day.

#### ADVERTISING OF SALES TAX HEARINGS

**Mr. Laughren:** Mr. Speaker, I have a question for the acting government House leader. He will know that in the resources development committee last night a decision was made, partly because of his intervention, to do no advertising of the hearings on Bill 115, the retail sales tax bill.

I would like to ask the acting House leader: when a committee has been set up to hear representation on a very important part of the budget that has impact over the entire province, does he not think there should be fair representation before that committee from all parts of Ontario, not just geographically, but from groups and individuals as well? How does the minister think he will achieve that if he does not advertise in different parts of the province so everyone has equal access to this committee?

**Hon. Mr. Gregory:** Mr. Speaker, the honourable member is aware that when I attended that meeting last night I did not play a part in it. I think he will recall that I did not say anything except to answer a question regarding a motion.

The committee, in a very democratic fashion, voted to proceed as it did, supported by the Liberal Party. The member for Renfrew North (Mr. Conway) was there. There was no time to have advertising. Because of the response to the committee so far, the members felt there were enough people to be heard from. As I recall last night's meeting, the great problem was how they were going to hear all the delegations which had already indicated their desire to come.

As to the member's comments about my participation in that, my only participation was in negotiating with the House leaders of the Liberal Party and the New Democratic Party, and acceding to their requests as to the terms of reference of that committee. That was my sole responsibility.

**Mr. Laughren:** Mr. Speaker, I have a supplementary to the stickhandling House leader.

Does the minister not understand that at the time that agreement was made among the three



House leaders, there was no indication of the enormous response there would be to the committee having public hearings in Ontario? Now that it is obvious that the committee will have great difficulty hearing everyone who has a right to be heard before that committee under the present setup, why will the government House leader not commence negotiations immediately with the two other House leaders to ensure that those hearings are extended?

Further, despite the fact that the Ontario Liberals filibustered as they did, and then voted not to advertise, why will the minister not take it upon himself now to see that people can have equal representation before that committee?

**Hon. Mr. Gregory:** As I mentioned earlier, my only participation on that committee was to accede to the agreement that was made among the three House leaders, and to accede totally to the request of the Liberal House leader as to the terms of reference of that committee. It was decided by the committee—not by me—with the support of the Liberal House leader, that there would be no advertising.

Having been at the meeting, as I was, the member would be aware that the Liberal Party, as well as the government party, supported the position that it was too late, and also unnecessary at this point, to advertise.

The co-operation of the third party extended to their saying that they will not even take part in the steering committee that was set up in a democratic fashion by the committee.

**Mr. Foulds:** Everybody should be heard, Bud.

**Mr. Speaker:** Order.

**Hon. Mr. Gregory:** I would not want to cause the acting leader of the New Democratic Party to have a seizure.

**Mr. Speaker:** Final supplementary, the member for Renfrew North.

**Mr. Conway:** It is not a supplementary, it is a point of privilege, Mr. Speaker.

**Mr. Speaker:** Order.

**Mr. Laughren:** Mr. Speaker—

**Mr. Kerrio:** He cannot have another supplementary.

**Mr. Speaker:** I cannot hear the member.

**Mr. Laughren:** I am attempting to rise on a point of privilege.

**Mr. Speaker:** I will recognize the member for Nickel Belt.

**Mr. Laughren:** I did not mean I was attempting to rise; I was attempting to make a point of privilege. All this has caused me to lose my train of thought.

The acting House leader made the point that we were not going to serve on a steering committee. The reason, Mr. Speaker, I think that the House leader—

Interjections.

**Mr. Laughren:** Yes, it is a point of privilege. The reason I make the point—

**Mr. Speaker:** Order. That is really not a point of privilege, as you well know.

**Mr. Laughren:** How do you know?

**Mr. Speaker:** Because you have led off into your point of privilege on a matter that is not.

**Mr. Laughren:** I will dispense with the lead-off.

**Mr. Speaker:** Then let us hear your point of privilege.

**Mr. Laughren:** Thank you, Mr. Speaker. The reason that we are not taking part in the steering committee is just that we will not be part of restricting hearings—

Interjections.

**Mr. Speaker:** Order. I will hear the member for Renfrew North on a point of privilege.

**Mr. Conway:** Mr. Speaker, since my name has been brought into this and since I was party to the discussions last night, I feel it is important for me to state my position very quickly.

**Mr. Laughren:** Is this a question?

**Mr. Conway:** No, it is a point of privilege. I participated here, Mr. Speaker—

**Mr. Foulds:** Vote for extended hearings.

**Mr. Conway:** I appreciate entirely the concerns of the members of the New Democratic Party. As a person of honour, I was under the impression that the agreement that I was part of last Thursday night involved a five- or six-day set of hearings to terminate by July 8, and I understood one of the agreed conditions to be that there would be no advertising.

**Mr. Speaker:** Order. Neither of those is a legitimate point of privilege.

11 a.m.

## RETAIL SALES TAX

**Mr. Ruprecht:** I have a question for the Treasurer, Mr. Speaker. I would like to bring to the Treasurer's attention a situation involving one of my constituents. On May 11 Mrs. deStein purchased and paid for various double-glazed windows as part of a comprehensive insulation program. Delivery of the windows, however, was arranged for a date in May subsequent to the introduction of the Treasurer's budget.

During the week of May 17 the supplier of the windows informed Mrs. deStein that her purchase was subject to a seven per cent sales tax even though she had paid on May 11, because the delivery followed introduction of the budget. The tax amounted to \$130. Will the minister not concede that it is unfair and inequitable to compel Mrs. deStein to pay the tax in this case?

**Hon. F. S. Miller:** Mr. Speaker, I will refer that to the Minister of Revenue.

**Hon. Mr. Ashe:** Mr. Speaker, the answer to the question is no.

**Mr. Ruprecht:** Mr. Speaker, let me continue and tell the minister what happened after we inquired with the department.

**Mr. Speaker:** Supplementary, please.

**Mr. Ruprecht:** Okay, supplementary. We had called the Ministry of Revenue, and the answer was, "While we do not necessarily agree with it, we have to administer it."

I ask the minister how, in good conscience, his government can in one breath urge the citizens of this province to "Conserve it, preserve it" while on the other hand scoffing, "We taxed it, you deserve it"?

**Hon. Mr. Ashe:** His poetry is as bad as some of his questions, Mr. Speaker. In any event, to get to the supplementary, unfortunately the honourable member has tried to cloud the principle on the basis of hanging his hat on conservation and the government's support of conservation, which it has shown in numerous ways in the last few years in helping to bring down the growth of demand for energy wastage in this province.

With regard to whether the tax is actually due or whether it is fair, in fact it is. Regardless of what the issue is—in this case, of course, it is the windows—if title did not pass on or before the date of the budget, then the tax is due and payable. In this case as described by the member, title did not pass—in other words, delivery of the goods—until after the date of the budget; in that case tax is payable, as it would be in every similar case; it has nothing to do with just windows.

#### CHILDREN'S DETENTION CENTRES

**Mr. R. F. Johnston:** Mr. Speaker, in the absence of the Minister of Community and Social Services (Mr. Drea), my question is to the Provincial Secretary for Social Development.

**Mr. Bradley:** Good luck.

**Mr. R. F. Johnston:** Thank you.

Last December, the Minister of Community and Social Services was made aware of allegations by social services groups in northwestern Ontario regarding the fact that in the Patricia district it was becoming a regular practice that juveniles, native children especially, would be put into adult lockups in various communities around the district. A review by the Ontario Provincial Police estimated that in Pickle Lake 12 kids per year are put into adult lockups, in Sioux Lookout over 20 kids per year are put into adult lockups and in Red Lake they would not even hazard a guess as to how many there were.

Is the minister aware of this? Is she aware of how many children are being locked up in adult facilities because of the lack of observation and detention centres, except at those in Kenora? This matter has been raised, I would say, over the last number of years.

**Hon. Mrs. Birch:** Mr. Speaker, no, I am not aware of the numbers of children who would be in that position, but I will ask the responsible minister to provide that information to the honourable member.

**Mr. McClellan:** How many times has it been raised in your estimates?

**Mr. R. F. Johnston:** As the member for Bellwoods has just interjected, the problems with detention centres have been raised any number of times in the minister's estimates over the last number of years. Can she find out from the Minister of Community and Social Services whether he has followed up this report to find out how many children were incarcerated last year in that area, and what steps he is going to take to counter that problem, given the lack of facilities in that region?

**Hon. Mrs. Birch:** I reiterate that this was not brought up in my estimates, this year or last year. However, the minister responsible for looking after children in these cases is a very responsible minister who will have the interests of those children at heart. I am sure he is aware of the problems and I am sure he will be very pleased to bring the member his response when he is in the House.

**Mr. Boudria:** Mr. Speaker, would the minister not agree that as long as the social development area keeps on taking a smaller and smaller portion of the budget each and every year, and also when the social development area has a decreasing amount of clout in the cabinet, it is extremely difficult for the government to keep on providing the necessary services in the social development area in Ontario?



**Hon. Mrs. Birch:** Mr. Speaker, there is not a word of truth in what the member is saying.

**Mr. Conway:** Mr. Speaker, do you recall that a few days ago the word "hypocrite" was put on the legislative index? I have great respect for the Provincial Secretary for Social Development, but I wonder whether, given the index, her statement that, "There is not a word of truth in what the member is saying," might be something you would want to reflect upon and advise as to its parliamentary quality.

[Later]

**Mr. Stokes:** Mr. Speaker, I want to have an opportunity to correct the record and to correct an erroneous impression that was left by the Provincial Secretary for Social Development in response to a question asked by the member for Scarborough West.

She will recall and so will the Minister of Northern Affairs (Mr. Bernier) that in my lead-off for those estimates, I took about 10 minutes to explain to both of them—and I even drew attention to the fact the provincial secretary was here and that I appreciated she was here to listen to my comments—the problems that were brought to members' attention here this morning. She even made notes while I was speaking about the social problems affecting native people in the Patricia area, particularly Pickle Lake. I did not mention the name of the community but the Minister of Northern Affairs nodded in assent when I said he would probably know it. The provincial secretary cannot deny that she had knowledge of the very things my friend the member for Scarborough West was concerned about.

**Hon. Mrs. Birch:** Mr. Speaker, yes I did listen very carefully to the honourable member's comments that day. Yes, I have passed along that information. I am not responsible for the day-to-day operations within the ministry. I just wanted to indicate that it had not been raised in my estimates. Those were the only estimates I referred to.

## NIAGARA RIVER POLLUTION

**Mr. Kennedy:** Mr. Speaker, I have a question to the Minister of the Environment with respect to emissions of impurities into the Niagara River and the Great Lakes system. I know this is raised very frequently, but that still does not diminish the importance of the question. The minister met recently with Commissioner Flacke of New York state. Could he inform us just what is going on now, what has happened in, say, the last six

months towards reducing the impurities entering our Great Lakes system and improving the water quality in the Great Lakes?

**Hon. Mr. Norton:** Mr. Speaker, I will try to fill in roughly what has been done within that six-month time frame. I suppose one of the things that is most significant in this period, that is now beginning to get under way, is the work of upgrading the Niagara Falls New York waste water treatment plant. The Environmental Protection Agency has released some \$4 or \$5 million, I believe, and we are being credited with bringing that money up to New York state by virtue of the pressure we have been bringing to bear on the federal government of the United States.

That is a project that will probably take anywhere from 12 to 18 months to complete. The New York State Department of Environmental Conservation is carrying out a considerable amount of work on the examination of landfill sites. The great handicap with which it is faced is the lack of resources as a result of the fiscal policy of the federal government of the United States.

**11:10 a.m.**

I suppose the work most directly related to what we will be involved in is the review of the permits for discharging effluent into the Niagara River. They are known as SPDES—state pollution discharge elimination system—permits. About 30 major ones are coming up for review this year on the American side. Our Niagara River team is already engaged in reviewing the existing permits. It is trying to determine as accurately as possible the content of the discharge and is trying to develop reasonable standards that ought to be achieved. We will be intervening wherever necessary and requesting hearings on the review of the SPDES permits.

There is ongoing work on the Niagara River. There is an American and Canadian Niagara River working group, with representatives of federal, state and provincial governments on both sides, that is working continuously at trying to complete a detailed inventory of all the chemicals that may have been discharged into the river, and to develop a longer-term strategy with respect to reducing those discharges.

There are many areas in which work is ongoing. I reiterate my conviction that New York state is deeply concerned about the problem. I wish the same level of concern and an appropriate level of funding was manifested at

the federal level in the United States. Then I would be sleeping a lot more easily.

**Mr. Kennedy:** Is Ottawa making representations to Washington to let its concern and our concern be known so that perhaps it will come around to seeing the seriousness of this and releasing some funds towards cleanup?

**Hon. Mr. Norton:** Yes, I think it is fair to say that. I suppose the rough breakdown in terms of involvement is that Ottawa has had significant diplomatic communications with the federal government in the United States on this subject.

There is one other thing. Within the past week I have been in communication with Ms. Anne Gorsuch, the administrator of the Environmental Protection Agency, urging that funding from the Superfund in the United States, which was set up to address problems relating to closed landfill sites, be freed up specifically for application to some of the problem areas on the Niagara frontier.

I hope the Canadian government will support it and I am sure it will. New York state has already been prioritizing the sites it feels are the most serious contributors to the problem in terms of requesting funding from the Superfund to get on with a more meaningful cleanup.

**Mr. Kerrio:** Mr. Speaker, I attended the organizational meeting along with some of the people from the ministry on that international committee for the cleaning up of the Niagara River. I do not recall ever getting an invitation to go back.

The question I raise is, have the minister's people met on an ongoing basis or are we leaving it to those people who say they are doing some cleanup without really knowing, and without really having meetings from time to time with some of the organizations that have shown a keen interest in the ongoing commitment, such as Operation Clean and those citizens' organizations that have really pushed and prodded government off its—whatever one might want to call it, into doing something about the cleanup?

I do not recall them having another meeting since the organizational meeting as it related to the people who were invited there to tell what it was about. Does the minister recall a subsequent meeting?

**Hon. Mr. Norton:** Mr. Speaker, I do not know whether there has ever been a meeting since that involving members of the public. I do not send out the invitations. I think the member can draw his own conclusions as to why he might not

have been invited back. I do not think the member wore out his welcome in one meeting, but sometimes even one's best friends will not tell one.

**Mr. Kerrio:** If I had known about it I would have been there uninvited.

**Hon. Mr. Norton:** That is not what I was implying. I can assure the member there have been working meetings of the group. I can also assure him our representation on that committee is made up of very accessible people. I am sure the representatives of Operation Clean or any of the other interested groups can either call members of that committee or make contact with our team co-ordinator for the Niagara River, Mr. Crabtree. He is a very accessible individual. I know he has been in communication with interest groups. Anyone who has any questions as to the progress would get an immediate update if he just picked up the phone and called Peter Crabtree.

## PETITIONS

### TAX ON FEMININE HYGIENE PRODUCTS

**Mr. Swart:** Mr. Speaker, I wish to table a petition. Because the member for Brock (Mr. Welch) is part of the cabinet that imposed the unfair sales tax, this petition was delivered to me for presentation in the Legislature by Joan Draper of Niagara-on-the-Lake and signed by 85 citizens, almost all of them from Niagara-on-the-Lake.

"We the undersigned women of Ontario who are all of voting age demand that the tax be removed from sanitary napkins and tampons."

### RETAIL SALES TAX

**Mr. Cooke:** Mr. Speaker, I have 1,000 additional names on the petition I presented the other day, which reads:

"To the Lieutenant Governor in Council: We the undersigned oppose the extension of the sales tax introduced by the Ontario government in the May 13, 1982, budget." Some of these names are from Sarnia and Chatham and the balance from Windsor.

## INTRODUCTION OF BILLS

### AGRICULTURAL SOCIETIES AMENDMENT ACT

Hon. Mr. Timbrell moved, seconded by Hon. Mrs. Birch, first reading of Bill 163, An Act to amend the Agricultural Societies Act.

Motion agreed to.



## HORTICULTURAL SOCIETIES AMENDMENT ACT

Hon. Mr. Timbrell moved, seconded by Hon. Mr. Sterling, first reading of Bill 164, An Act to amend the Horticultural Societies Act.

Motion agreed to.

## CITY OF LONDON ACT

Mr. Van Horne moved, seconded by Mr. Epp, first reading of Bill Pr21, An Act respecting the City of London.

Motion agreed to.

11:20 a.m.

## ORDERS OF THE DAY

### THIRD READINGS

The following bills were given third reading on motion:

Bill 84, An Act to amend the Highway Traffic Act;

Bill 135, An Act to amend the Unified Family Court Act.

## MUNICIPAL AMENDMENT ACT

Mr. Rotenberg moved, on behalf of Hon. Mr. Bennett, second reading of Bill 12, An Act to amend the Municipal Act.

**Mr. Rotenberg:** Mr. Speaker, this bill will amend the Municipal Act in a number of ways. It really entails housekeeping and minor amendments to the act.

It will remove the ability to establish improvement districts and counties. It will provide that a declaration of vacancy from a county council constitutes a declaration of vacancy by the local council as well.

This bill will also clarify that all members present at a council meeting are to vote on a recorded vote. Those who fail to vote will be deemed to have voted in the negative. The bill provides the municipalities flexibility in issuing debentures. It enables a municipality to contract out its staff as well as its equipment.

The bill will require a local board to submit to the treasurer of the municipality a statement of remuneration and expenses paid by the board. It will expand the council's ability to establish transit lanes and alter the contravention of parking bylaw provisions.

This bill was introduced last fall as Bill 179. It is almost identical to that bill. We did not get to it then and it is being presented to the House for consideration.

**Mr. Epp:** Mr. Speaker, I will be quite brief with respect to Bill 12. As the parliamentary assistant has indicated, it is an act to amend the Municipal Act. We have one of these almost every session. It deals with a number of anomalies, a number of discrepancies, a number of technical changes and so forth.

One of the more important aspects of this bill is that if a reeve or deputy reeve's position is declared vacant at the upper level, the county level, that seat should also be declared vacant at the lower level. There seems to be some misunderstanding about this.

This is consistent with legislation at the regional level, certainly in some regions, where if at one level a vacancy is created then it automatically follows that the vacancy should be reflected at the other level.

I understand, although I am not sure exactly where this has occurred, that some people at some levels do not carry forth the same kind of responsibility as they do at the other level. In other words, a reeve or a deputy reeve may exercise their responsibilities fairly fully at the upper level and yet not do it at the lower level. I find this very inconsistent and very unfortunate, but it seems to be the case. They may attend meetings at the upper level for three months, six months and so forth, yet at the lower level, not attend those meetings and not fulfil their responsibilities.

As I have indicated, that is unfortunate and it should be brought into line that if they do abdicate their responsibilities and are removed at one level, or quit for any reason, that follows through at the other level.

Another aspect of the bill is the negative vote. Mr. Speaker, I know you would particularly appreciate that if somebody decides not to vote they are included in the negatives of that vote rather than being excluded or being included in the affirmative. I do not have any argument with that.

The other thing is the fact that in Metropolitan Toronto, when one municipality leases or rents some kind of equipment from another municipality, in the past they have not been able to take the driver with it. It may be a specialized kind of equipment but they have not been able to get the operator, the driver, whatever we want to call him or her, along with it. This act opens the door for them to be able to do it and, again, is reasonable legislation.

Unfortunately, somehow or other the legislation was interpreted not to be able to include those aspects. We have no difficulty with the bill

unless there is something hidden in the very small print. I am sure there is not, because I have read it. If by chance the parliamentary assistant has somehow slipped something in, maybe he could draw that to our attention.

I would also draw to your attention, Mr. Speaker, the fact that once again I am disappointed. It is no particular comment on the abilities of the parliamentary assistant, but I want to draw to your attention that the minister is not here for a single piece of legislation. He has not been here since the bill to create the Ministry of Municipal Affairs and Housing was introduced and debated at second reading.

**Mr. Boudria:** Does the minister still work here?

**Mr. Epp:** He was here for question period. He left about three or four minutes ago. I just draw it to your attention, Mr. Speaker. I do not know why he keeps on avoiding the legislation in this Legislature.

**Mr. Swart:** Mr. Speaker, I want to make a few comments on this bill on behalf of our municipal affairs critic the member for Oshawa (Mr. Breaugh), who is not able to be with us today.

**Mr. Boudria:** Is he with the minister?

**Mr. Swart:** I doubt that very much.

This is one of those bills where I am not sure how to establish the principle of the bill because they are amendments to the Municipal Act and each one of them stands or falls on its own and they deal with a great variety of issues.

In general, these amendments improve the Municipal Act and we will be supporting this bill in principle. I want to make some comments on some of the issues that are dealt with here and perhaps have the parliamentary assistant answer some of the questions I am going to raise relative to them.

Like the member for Waterloo North (Mr. Epp), I think the amendment about the vote of a member of council being counted in the negative, if for one reason or another he does not vote or absents himself, is a good one. I do not think members of council should be able to refrain from taking stands on issues that are before them, such as the selection of a warden—and having been a member of county council, I know the log-rolling that goes on in the selection of a warden.

**11:30 a.m.**

In the past, people have absented themselves because they did not want to offend anybody in case it meant they would not get on a committee of their choice or would not get to a convention

they wanted to attend. This is an improvement. I commend the government for bringing in this amendment.

In section 5 and section 6 of the bill, there are amendments which will broaden the ability of municipalities to vary debentures. I think I am right in saying the parliamentary assistant has an amendment on section 6 whereby it would apply to all municipalities and not just to those with a population of more than 20,000.

Why did he not also bring in an amendment to section 5? It seems to me the same sort of principle is involved there. There are many municipalities with populations of less than 20,000 which might want to have debentures issued for terms of less than 10 years, instead of the five years as is permitted to those with populations of more than 20,000. I do not know whether this is just an omission, but I would like to hear his reasons for it. I cannot see any reason why municipalities of less than 20,000 should not have that right as well.

I move to section 7 and section 8, where there is an amendment to permit banks owned by non-Canadian interests to provide banking services to municipalities and to permit the municipalities to avail themselves of that service. In view of the fact that the federal government has changed the act to permit foreign banks to operate in this country this proposal perhaps is reasonable, but there has been some undue haste in bringing in this amendment.

I can recall that some of us here in this party fought for years to get authority to get a change in the act which permitted municipalities to deal with credit unions and caisses populaire. Even though they had them right in their own municipalities, they could not deal with them. We fought for years to get that.

Now, all of a sudden, immediately there is a change in the federal Bank Act, the government brings in an amendment to permit municipalities to deal with foreign banks. I am not too supportive of that change in the federal legislation. I understand the international complications of these sorts of things, but I do not think we have to rush to bat for the foreign banks so that local municipalities can deal with them.

It is my hope that the local municipalities will not deal with them, considering the state we are in in this country and the need to invest our own money in this country. It does not seem to me that municipalities will want to use those foreign banks. Although I know it is a nice cleanup measure to put it in accord with federal legislation, I would like to hear from the parliamentary



assistant why he is rushing to bring in this amendment.

Section 9 permits a municipality to contract out the use of its machinery and its men—

**Mr. Epp:** Or women.

**Mr. Swart:** Its employees; the member is so right. In my reading of this, it goes further than just contracting them out to another municipality. It would permit the municipality, and this is what I hope would be the intent of it, to contract out, for instance, for a condominium development where there are sewers, water works, paving of streets and so on that have to be done. Those people should have the right, if they wish, to have a nonprofit corporation do that work for them.

I remember a substantial debate in this House which we in this party lost two or three years ago, which would have required a municipality to negotiate with the condominium owners for the provision of part of the services. The present Municipal Act is very unjust to condominium owners, and I am sure members know that, in that they not only have to pay for the general municipal services but have to look after the streets, the lighting, the water and the sewers within their own condominium area. It is a tremendous cost to many condominium owners.

The parliamentary assistant may remember we lost that change in the wording, when it was introduced, to require provision of services by the municipalities, but it does permit negotiation with condominium owners. I would think this section of that legislation could implement the provision of those services. I ask the parliamentary assistant to comment on this.

**Mr. Rotenberg:** Which section are you on?

**Mr. Swart:** Section 9. I ask the parliamentary assistant to comment on whether my interpretation is correct, that a municipality could not only contract out but also contract out at below cost if they wished to do so. Perhaps he will answer that when he rises to reply on this bill.

Section 11 of this bill provides for full disclosure of remuneration paid to members of council by other boards on which they sit. At present, the act provides that this must be declared. This just goes a little further and provides that the board itself must provide that information; it puts an obligation on the board.

I ask the parliamentary assistant whether this is just a tidying-up measure or whether there have been some difficulties in some places in getting these quasi-municipal boards to disclose

the remuneration and expenses they have been paying to members of council. Is that why he is bringing it in, or is it just a cleanup measure? If he is bringing it in because there has been a problem, will he tell this House specifically what the problem has been?

I am fully in support of this clause. I think there should be full disclosure by all members of council, by all public servants, of the total remuneration they receive, whether it is in salaries or in expenses. The government has brought in a bill to provide that public officials' salaries must be disclosed. This is probably part and parcel of that, but it was there before and I want to know what are the specific circumstances which bring about this change.

On the subsequent municipal bills I do not intend to take quite as long as I am taking on this one, because many of them deal with the same items, as I am sure members are aware. I want to get some answers, and we may as well get them on this bill.

I have some concern under section 12, and perhaps I should bring this up under the regional bill, but I say to the parliamentary assistant that I support section 12 as it is here. It has to do with the provision of special lanes on municipal roads, not only for public transit vehicles such as buses but also for private vehicles where there is a certain number of passengers in the car. Of course, the intent of this is obvious. We are trying to expedite the transportation of those vehicles with passenger loads, whether they are buses or whether they are carrying a group of people who get together to use one vehicle to go to work. It all makes sense.

**11:40 a.m.**

However, I think I am right in saying that some of the other bills we will have before us today do not include private vehicles; this one does, but some of the others do not. If I am wrong in that, the parliamentary assistant will correct me, I am sure, as he is always so quick to do. If I am right, I hope he will explain the reason for it.

Section 13, I believe, involves only a change in terminology. It says that they are in fact guilty of an offence. Rather than just indicating the power to levy a penalty on them, this states that they will be guilty of an offence when they break a municipal bylaw. I wonder what the significance of this is. The provision has been there to fine them. What does it add when it says they are guilty of an offence? Is it because it will make it easier to prosecute? Will a person have a record that he otherwise would not have if we put in the

words that he "is guilty of an offence?" I ask the parliamentary assistant to comment on that.

The second part of section 13 makes it clear that "where a vehicle has been left parked, stopped or left standing in contravention of a bylaw passed under this act, the owner of the vehicle, notwithstanding that he was not the driver of the vehicle at the time of the contravention of the bylaw, is guilty of an offence and is liable to the fine prescribed for the offence unless, at the time of the offence, the vehicle was in the possession of some person other than the owner without the owner's consent."

I have some reservations about that clause, because it simply means that the owner of the vehicle, even though his son or some friend may have been using the car at the time and may have committed the offence, and even though this may be admitted by someone else, is going to incur the penalty.

Once again, I recognize the difficulty in finding out who may have had the car in his possession at the time. I think it would be preferable—and I hope the parliamentary assistant will listen to this—instead of saying "is guilty of an offence," to say "may be guilty of an offence." Then if it could be determined who actually had possession of the car and who was guilty, that person would pay the fine. I think you would agree, as a very reasonable and pleasant man, Mr. Speaker, that this makes sense. Why should a person who is not guilty be found guilty when they know who is guilty?

I ask the parliamentary assistant whether he will deal with that and perhaps consider a friendly amendment that might say "may be guilty of an offence." That would leave it up to the courts to decide, if necessary, which to me seems much more reasonable than trying to penalize an innocent person.

I presume the new subsection 321a(2) in section 13 has some relationship to the new legislation, which we strongly supported, for voluntary payments out of court in the city of Toronto so that people may even argue a case out of court and not have all the minor offences go to court. I also presume there is connection between these two. Perhaps the parliamentary assistant would like to comment on that when he rises.

**Mr. Di Santo:** On a point of privilege, Mr. Speaker: I wish to take a minute of the time of the assembly to express my best wishes to the

member for Welland-Thorold (Mr. Swart), who is celebrating his birthday today.

**Mr. Swart:** Thank you.

**An. hon. member:** Is he 39?

**The Deputy Speaker:** I was just about to ask. Is the honourable member 39?

**Mr. Swart:** No, I am not 39. I have no hesitation in giving my age. I am 63 today. I rise not to reply to that, but to say, "You scratch my back and I'll scratch yours." The member for Downsview (Mr. Di Santo) has a birthday today as well.

**The Deputy Speaker:** Oh.

**Mr. Swart:** You may not think we are the same age—

**The Deputy Speaker:** And you are not.

**Mr. Swart:** —and if you think that, you are right. He is celebrating, I think, his 42nd birthday today. I am sure the House will want to extend congratulations to him.

**The Deputy Speaker:** Congratulations.

Is the member for St. Catharines having a birthday too?

**Mr. Bradley:** No, Mr. Speaker, I am rising on a point of privilege to say that I am pleased to add my own good wishes to both these gentlemen on their birthdays and to express relief. When the member for Downsview rose in the House I thought, this being an important day, that it was going to be the last day for one of these two gentlemen in the House and that they were going to announce they were going to vacate one of their seats on behalf of their leader. I am very relieved that is not the case, because both of them add so much to the Ontario Legislature.

**Mr. Swart:** If I may use an incorrect term, that kind of wishful thinking may go on for a long time.

**The Deputy Speaker:** Yes.

**Mr. Kolyn:** On a point of privilege, Mr. Speaker: I would certainly like to ask the member for Downsview his age. I am sure he is not 63.

**The Deputy Speaker:** He is 42.

**Mr. Rotenberg:** Mr. Speaker, I would like to thank the two critics opposite for their support of the bill. I hope I have made notes on all the questions asked, particularly by the member for Welland-Thorold. Initially, I would like to congratulate him on his birthday. However, it should be noted that, birthday or no birthday, the honourable member is still speaking at his



usual length. I will try to answer all his questions.

First, as the member for Welland-Thorold said, I will be bringing an amendment to section 6, which I had given notice of. It renews the ability of all municipalities with a population of less than 20,000 to issue debentures in the same manner. As you know, Mr. Speaker, it has been the intention of the ministry, in various municipal bills as they come forward, to remove status distinctions between the various kinds of municipalities. This is a gradual process in the act.

It is worth pointing out, in regard to the other parts that were taken out of this particular act, that, as far as section 5 on debentures is concerned, we have before the House Bill 150, the second Municipal Act of the year, which removes the provision for the rest of the debenturing. When this bill was written, we had not made the policy decision to remove that status distinction. There is no reason why we did not; we just had not got around to it. Removing the words "a population of 20,000" in section 6 and then the amendments in Bill 150, which will be on later in the session, will remove that status distinction for all the debentures. So the matter is in hand.

**Mr. Swart:** Why not do it in this bill?

**Mr. Rotenberg:** Mr. Speaker, with respect, it is a little more complicated than just putting it in. The lawyer advises the better way to do it is the other way. As long as it is done as here, it is not going to interrupt any municipalities.

The matter of foreign banks has been raised by the member for Welland-Thorold. I point out that whether or not foreign banks can do business with this country is, as he said, a matter of federal jurisdiction. It is our feeling that if a bank is legal in this country, a municipality shall have the option of dealing or not dealing with that bank or any other financial institution. It is not under the jurisdiction of this Legislature. This Legislature should not be telling municipalities whether they can or cannot deal with banks.

I share with the member for Welland-Thorold the hope that municipalities will deal with banks that are in their communities and that assist their communities. In my opinion, it is not really up to us to indicate to the municipality that thou shalt not deal with a bank which is legal under the federal act.

**11:50 a.m.**

As far as contracting out is concerned, the only change we make in the legislation is that up

until now a municipality could contract out its machinery or equipment to other municipalities or to anybody else. As the member for Waterloo North indicated, we are just adding a technicality, because when we originally put that in we did not add the staff. If one contracts out a certain machine and the certain driver or skilled person goes with it, that person should be able to go as well. So that is the reason for the amendment.

I do not think the section on remuneration of public bodies has been a major problem, but we are putting in a date of February 28; that is the main change in it. Local boards report the remuneration and expenses, not only of the council members on the local board but also of municipal appointees on the local board who are noncouncil members. From time to time they were coming in late, and that was causing some municipal treasurers a problem when they had to make up their annual statements and those reports were not in yet. We are putting in a mandatory date of February 28 so that all matters are received by the municipal treasurer on time and the treasurer can do his work properly.

Regarding private vehicles on transit lanes, my understanding is that they are in all the other acts as well. The note says they are included in Bill 15. It is our intention when we get to the other bills to make amendments if we find there is some inadvertence in not having the same private vehicles allowed in other bills, but it is my information that it is somewhere in all the other bills. Some of the regional municipalities previously had this authority, and it was in their previous authority as well. When we get the other bills, I will then have the exact reference for the member for Welland-Thorold.

As far as the parking tickets for automobiles are concerned, all members will recall the case of a car rental company that received tickets but refused to pay a municipality because, it said, "It is not our responsibility. We rented out the car." As a result of that court case and requests from many municipalities, we want to clarify the case of parking tickets as distinguished from moving offences.

Parking tickets are the responsibility of the owner of the car; if somebody else was driving the car with his permission, then he has to pay the fine and get it back from whoever was driving the car. It would be impossible for a municipality or court to be able to track down the driver of the car. It would mean the police officer would have to stand there and wait until

the driver comes back and give him a ticket as he does on a moving offence.

**Mr. Swart:** What about the word "may?"

**Mr. Rotenberg:** With respect, this is a legal problem. The owner of the vehicle, if he is convicted, is guilty. The owner of the vehicle is responsible. It should not be at the discretion of the courts to say, "The man may be guilty." One cannot write laws saying a person may be guilty of an offence. A person is or is not guilty of an offence. One just cannot send a judge legislation which says "may" as far as being or not being guilty of an offence.

This is worded this way under the Provincial Offences Act to bring this act into play so the municipality can enforce its parking bylaws. Anything other than this section would result in a lot of arguments in court as to who was or was not the driver, or who was or was not responsible. Again, this has been as a result of a court case.

It is our feeling and it is the feeling of the municipalities and the police forces that the parking bylaws and enforcement could be in serious difficulty without this amendment. We feel this matter should go forward as written.

According to my notes, I think I have dealt with all the matters raised by the member for Welland-Thorold.

I would like to give the assurance again to the member for Waterloo North that the bill is here and that nothing has been slipped in. The member knows full well that I have indicated to him and to my critic from the New Democratic Party that any time they have any questions about details of these acts, the staff of our ministry is available to them for questions and for clarification. I just assure the member for Waterloo North and all other members that everything in this bill is up front and that there is nothing we are trying to slip in.

**Mr. Swart:** What about the right of municipalities to provide contract services at less than cost?

**Mr. Rotenberg:** Again, the municipalities have the right to contract out their machinery or their people, and it is really up to the municipality as to how it deals with this situation. We use the words "local autonomy" around this chamber quite often, and the municipal leaders and politicians use the words "local autonomy" even more. In matters such as this, as in many other matters, we provide the authority for municipalities in a general way to contract out. It is really

up to the municipality to be responsible and to contract out in a responsible manner.

We do not feel there should be any further restrictions put on this. It has been working well up to now. There really have not been any complaints about municipalities contracting out their machinery or equipment and causing any concern out there in the marketplace. Therefore, we do not feel it is necessary to put any further restrictions on them.

As I indicated earlier, I have a small amendment to this bill; so when the motion for second reading has been approved, I will ask that this bill go to the committee of the whole House.

Motion agreed to.

Ordered for committee of the whole House.

## COUNTY OF OXFORD AMENDMENT ACT

Mr. Rotenberg moved, on behalf of Hon. Mr. Bennett, second reading of Bill 13, An Act to amend the County of Oxford Act.

**Mr. Rotenberg:** Mr. Speaker, this bill has a number of minor amendments to the County of Oxford Act. Many of these amendments are similar to those we have just passed in the municipal bill and those we are coming to in a moment in the regional bill which deals with the regions. As Oxford is a county, it has to have a separate bill rather than being dealt with in the regional bill.

The main provisions in this bill are the provisions for debentures that we discussed, the resignation and disqualification of county councillors and the method of changing the status of each municipality if the municipality should wish to change its status.

I commend this bill to the House.

**Mr. Epp:** Mr. Speaker, obviously we are going to support this bill, but I find a particular aspect of this bill, as well as when we amend the district of Muskoka bill, the Metropolitan Toronto bill and the regional bills, is that the government is trying to make them all the same.

In some aspects this is acceptable, particularly with respect to technical amendments. However, another important aspect is that whereas the government has prided itself in the past in having 10 or 11 regions in Ontario, if one includes Metropolitan Toronto and so forth, it has in a way insisted that Muskoka and Oxford are not regional governments, yet it treats them as regional governments.

I challenge the parliamentary assistant to put clearly on the record the distinctions he sees in terms of the regional municipalities in Ontario



and the district of Muskoka and the county of Oxford. I challenge him to show clearly the distinctions between them, because out there in the county of Oxford and in the district of Muskoka, they really think they are regions. I think they are right to a large extent.

I know the parliamentary assistant has shied away from giving the distinctions in the past. I challenge him today to take five, 10 or 15 minutes to lay down before the members of this Legislature, clearly and decisively, the distinctions between all these various regions. I know he is an authority on them. I know it will take him about two minutes to make notes on this. Then he can lay out clearly exactly what the distinctions are. I expect we are going to get that in the windup of this bill today.

Change in the status of local municipalities is one of the aspects of this bill. I know the fact will be particularly appreciated that until now if the municipality wanted to change its status, for instance from township to city or to town or whatever it might be, a special act would be brought in.

#### 12 noon

I commend the parliamentary assistant—certainly not the minister, because he has abdicated his responsibilities with respect to legislation—who is very able and is trying to do a very good job on bringing in some of these amendments to the act.

As members know, the borough of North York wanted to become a city and was able to change to a city. In the past year or two we have had a number of other municipalities that have wanted a change of status, and this is understandable. We have never opposed that, and I do not believe that the New Democratic Party has opposed it. It is a fairly regular thing that they should be permitted to do this, because the only difference in status between a township and a town is in the kind of Ministry of Transportation and Communications grants they receive. Some of the municipalities have tried to retain their smaller status—smaller with respect to population size—because it means their MTC grants are larger.

I remember a few years ago when we had the township of Mississauga; it had about 150,000 people, and was still regarded as a township. Now it is a city of 299,000 people, according to the sign that is proudly erected along Highway 401, the Macdonald-Cartier Freeway. They benefited from the extra grants by their municipality being designated as a township until a few years ago.

Still another part here is that some municipalities may have the ability to award and provide scholarships. These days this is particularly important, when the government is opting out of a number of programs. It really should not be odd, because as the economy gets tighter and tighter the government keeps on giving more and more—

Is that a signal to me?

**The Deputy Speaker:** Yes. I am wondering how this works into the Oxford bill.

**Mr. Epp:** It is part of the Oxford legislation, the ability to make awards and provide scholarships. We are saying that it is the principle of the thing, Mr. Speaker, and I know you will understand this if you will only give me 30 minutes to explain myself.

**The Deputy Speaker:** Thirty minutes?

**Mr. Epp:** As the economy gets tighter and tighter the government proudly presents more and more autonomy to municipalities. They say: "Isn't this gracious of us? The great majority of Ontario, 70 members, will now give you the power to give scholarships to some of your citizens." Then when money gets freer they say, "You municipalities do not have quite the maturity to deal with these very important matters, and you cannot have the right to give scholarships to your citizens," so they withdraw these rights.

They are trying to become more consistent; they are trying to recognize maturity in the development of the great municipalities of Ontario, and they are saying, "You seven, nine or 25 councillors can vote somebody a scholarship for \$500 or \$1,000 or something of that nature." Mind you, until now they could have awarded contracts worth millions of dollars, but when it came to scholarships they were not able to do it. Now, suddenly, they are mature enough to do it.

We have no difficulty supporting that particular aspect of the bill as well as the others in here, which are fairly standard and which are included in some other bills.

**Mr. Swart:** Mr. Speaker, Bill 13, which we have before us, refers only to the county of Oxford, but it is very similar to the bill that will be coming before us to amend many of the regional municipalities acts. Therefore, on this bill I once again want to make some comments that will have some general relevance to all of the regions.

The member for Waterloo North (Mr. Epp) mentioned the first clause. I share his view that

it is desirable to give this sort of automatic right to the ministry, subject to certain safeguards, to change the status of a municipality. Thorold still is the newest city in the province. It has been four or five years since it was incorporated as a city with a population of 15,000. To the best of my knowledge, there have not been any cities incorporated since then. They had to get special legislation. This makes it possible for the minister to do it and I think it is desirable.

However, I suggest that the parliamentary assistant take another look at section 2. I am somewhat concerned with what is proposed here. I want to read this proposed subsection (2b) because I think it is of interest to all members of this House, municipal people and all those who are interested in the democratic process.

Section 2 of the bill provides that section 13 of the act be amended by adding, as subsection (2b): "A member of the county council with the consent of the majority of the members present at a meeting, entered upon the minutes of it, may resign his office and his seat in the council which shall then be vacant, but he shall not vote on a motion as to his own resignation" and this is the significant part, "and if the council does not accept his resignation it is of no effect."

In effect, what we are doing here is prohibiting a member of council from resigning even though he may want to resign. I cannot anticipate many circumstances where if a person on a council wanted to resign the council would not let him resign, but if that circumstance did arise, why should the member not have the right to simply table his resignation with the clerk of the municipality and by that process tender his resignation?

I can see a council going through a formality, but not putting into the act that if the council does not accept his resignation it is of no effect. That prevents a person from resigning from council if he no longer wants to serve whether it is for health reasons, or he is moving away, or because he is too busy or perhaps he has bought a new business and feels there would be too many conflicts of interest if he stayed on the council. The council can prevent that member from resigning. That is in contradiction to the principles of democracy. If a person does not want to serve any longer, he should not be required to serve. There is adequate legislation for replacement in the act, etc.

I can see this being used deliberately by some municipalities to contravene the intention of the Municipal Act. At the present time, munici-

palities must hold elections or they must replace members of council when seats become vacant. There could be an instance where they would want to have another election because the person who is the runner-up may not be acceptable to council.

I have heard of this happening many times. It happened in St. Catharines with the case of Fred Lindal. Even though he was a runner-up, that council refused to appoint him although the tradition had been followed on at least five occasions where they had appointed the runner-up. They did not want him. So they refused to appoint him and held an election.

This section would give the opportunity for a municipality to not permit the person to resign. Therefore, there would not be a vacancy and council would run with one person short for the rest of the term. I do not think it is in the interests of democracy or the ratepayers in the municipality who might go without representation for a year or some long period of time because the councillor decided he did not want to sit in person or the council did not want the costs. That may be legitimate, but they did not want the costs of a municipal election to replace that person. So I do not think it should be compulsory for that person to continue to serve if he does not want to serve.

Subsection 13(2c) and the other sections pertaining to seats becoming vacant when a person holds a dual position on the county council and the local council, all make common sense and are just housekeeping amendments to make sure that does take place.

**12:10 p.m.**

Next I want to deal with section 5. This does have very real concern for me and especially for my party. The member for Waterloo North (Mr. Epp) alluded to the same principle, but in a different way. I suggest this is much more serious than the principle to which he alluded, that of scholarships and making awards. Under section 5, and this carries through into the Regional Municipalities Amendment Act so it will have a broad application in this province if it is permitted, we are allowing both a county council and the area municipality to make grants towards hospitals.

I was on a municipal council for many years. One of the problems that always existed was the duplication of contributions to hospitals. In those days, the local municipality where the hospital was situated would be asked for a capital donation to the hospital. As well, the county would be asked for a capital contribu-



tion. There was always a dog fight between the two on who was going to give the money. Sometimes both of them would give it. Sometimes, if a municipality did not have enough clout on county council, only the local municipality made a donation. If it did have clout, then the county council would be the only one to make a donation.

It was a matter not only of real controversy, but also of real injustice. The ratepayers were often paying twice, or a ratepayer who should not have been paying to one hospital, in the case of the county making the contribution, attended a hospital in another county, and was paying towards that other hospital in his municipal taxes. I remember two particular changes: first, when we brought in the health plan for the province and the province took over the hospitals. No more money would have to be paid out for the construction and expansion of hospitals and, in some cases in those days, for the operating costs of the hospitals. Everybody was very delighted about that.

The second change was when we formed regional governments throughout the province. This problem was going to be eliminated because there were amendments in the county acts and in the regional municipalities Act that only the county or the region could contribute. It was one of the selling points for the regional municipalities. Only the regions would be able to contribute. The local municipalities would not have to make these financial contributions any more. Now we have a bill before us providing that the area municipalities, the local municipalities and the counties or regions will again be permitted. This dog fight will go on once again.

It is serious, although not with the existing situation because not too many of them are making contributions. I know what is behind this and the government knows what is behind this. One of the ways they are going to cut down on hospital costs in the future is by turning at least part of the capital cost back to the local municipalities and regional municipalities to raise by the regressive property tax rate.

That is what is behind this amendment we have before us at the present time. It is not at all just an innocuous little amendment we are putting in here to give a bit more autonomy to the municipalities. This has been put in here, deliberately, so that municipalities will have the power to make many kinds of payments to the hospitals for operating and capital costs. It is the full intention of the government to use that

provision to provide less money than it has done up to now.

They will be saying to hospitals like Welland County General Hospital, "It is true that you have a great waiting list and may not have enough beds, but if you people will have your municipal taxes raise enough money to provide more beds and to pay part or all of the operating costs, then you can have more beds in that municipality." This has been part of the whole plan of the government since 1975, with that infamous document that was tabled, to return to the municipalities, via the regressive property tax rate, many of the costs that have been borne by the provincial government.

Mr. Speaker, we will insist that we go to committee of the whole of House to deal with this amendment.

I want to refer briefly, if I may, also to section 7, which provides for the establishment of a reserve fund. Nobody has any argument against establishing reserve funds. They have been established over many years.

I would like, however, to hear the parliamentary assistant's comments on whether there should not be a provision in the legislation whereby a municipality would require, perhaps, a two-thirds vote to use that money for purposes other than those which have been set up for the reserve fund. It has been the practice of many municipalities, and one which I commend, to establish reserve funds for the provision of a number of services in the future and to pay for costs they know they are going to have way down the road. But it has been possible for a new council to come in and, by a simple majority vote, to use those funds for some current services, useful as they may be, and sometimes deliberately for the purpose of keeping taxes down because it was an election year.

I know the difficulties of taking the right away from municipalities to make their own decisions year by year, but this has a slightly different connotation to that of the decisions they normally make. Some of these long-term decisions such as decisions under the Planning Act are permanent. They have to go to the Ontario Municipal Board, where everybody has a say, before they can be changed. To give the opportunity to a new council to rescind what was a long-term decision made by the previous council in the previous year, without some sort of hearing or consultation, seems to me to be unwise. I would like to hear the parliamentary assistant's comments on that.

I doubt very much if we will be voting against

that section of the bill, but I would like to hear the comments of the parliamentary assistant.

May I just say that from there on, from sections 8 to 12, we have no objection except for section 10, which gives permission for the county and the area municipalities to make payments for the same purposes. That is a principle we in this party cannot support, because we think the government has some ulterior motives in including those clauses in this bill.

**12:20 p.m.**

**Mr. Rotenberg:** Mr. Speaker, I would like to reply briefly to the matters raised by the members opposite.

As to the distinctions between the county of Oxford, the district of Muskoka and the regions, as raised by the member for Waterloo North (Mr. Epp), yes, there are some distinctions. Each regional municipality has a lot of things that are similar and a number of things that are unique to that regional municipality. They are reflected in the acts, both when they were formed and in subsequent amendments to the regional acts.

Regions do not have private bills as municipalities do and, when regions want something distinctive, it is enacted in legislation. The county of Oxford, for instance, does not have a chairman; it has a warden. The member for Waterloo North will be pleased to know the warden also retains a seat on his local council, something he would approve of.

There are other minor differences in the county of Oxford, the district of Muskoka and the regions which have been put in the acts initially or, from time to time, at the request of the local regions. I will not take a long time to dwell on them because they are in the acts; they are historical and this is the way the people, the elected representatives of those regions and the area municipalities wish to have them.

As far as the power to give scholarships is concerned, this is part of our policy to expand local autonomy in every section. I assure the member for Waterloo North that the government has no intention of withdrawing any of these powers to give scholarships or any other powers we have given to area municipalities and to regions as they come forward.

The member for Welland-Thorold (Mr. Swart) does raise an interesting point about a resignation having to be accepted. First, this is common law in many other situations, not just with municipalities, where a resignation is given and is accepted. I would assume that in almost every situation a resignation would be accepted by the

council. However, the member is correct that there could be abuse by a council in a unique or specific case of a resignation not being accepted. On the other side of the coin, there could be some abuse by a councillor wishing to resign for a reason which also could be an abuse of the power.

We have to remember that these councils were elected to serve the people for a two-year term or, from now on, a three-year term and there has to be a valid reason for the member of council to resign. Given a valid reason, I am sure the council would accept it, but in effect what the member for Welland-Thorold is saying is that the council might want to play politics and not accept a resignation, which is true, but the councillor might also be playing politics in trying to put in his resignation.

On balance, we feel it should remain the way it is. If a councillor does not want to serve and he is absent for three months, then the council would declare his seat vacant if it has not excused him. I suggest we leave it the way it is, but I would state to the member for Welland-Thorold that he has raised a question in my mind and, some time between now and the next time we bring in a municipal bill, I am going to review that section again with staff.

I am convinced now that the bill is right the way it is but, because he has raised the point and there may be some validity to it, I am going to review that, not in respect of the act before us but some time between now and when we have the next revision of the Municipal Act, which may be in the fall or may be next year.

I point out to the member for Welland-Thorold, because he raised the point previously on the Municipal Act, that in subsection 4(2) on vehicle lanes, private motor vehicles are mentioned in that act as well; so it is there and in the other acts.

As far as the grants to hospitals are concerned, I am not sure where the member for Welland-Thorold finds this deep, dark plot by somebody in the government trying to do something to the municipalities. As we review these acts, what we are really doing is giving permissive legislation for either level of government to make these grants. There is no plot. We have had no discussions with the Ministry of Health. There is no plot to try to force municipalities to do things.

There is, and should be from time to time, the power for either the area municipalities or the region or both, if they desire, to make these kinds of grants. We feel that is the way it should



be. There is no plot I have heard about and, if we believe in local autonomy, as we all do, we should allow the local municipality to do it, if it desires to.

In other words, we, as a Legislature, should not be placing restrictions on municipalities in these things. If they want to do it, they may. If they do not want to do it, there is certainly no compulsion for them to do so.

**Mr. Swart:** Why did you put them in before? You used to have the power.

**Mr. Rotenberg:** A number of things have been put in historically over the years.

**Mr. Swart:** It is your government.

**Mr. Rotenberg:** This Legislature knows, and I have stated in this Legislature many times, that we are constantly reviewing the Municipal Act to ease it up as far as possible, to give as much permission and power to municipalities as possible. This is being done over the years.

As far as the reserve funds to the municipalities are concerned, there has been a requirement for a two-thirds majority. The municipalities have asked for this restriction to be removed. The principle is very simple. If a council, on its own, by a simple majority, can do something, the same council, on its own, by a simple majority, should be able to undo it.

There is no requirement for Ontario Municipal Board approval to have the funds. There is no requirement of a two-thirds majority to put the funds in place. Therefore, with respect, I suggest the council should not be restricted in undoing what the council can do.

I feel the municipalities are correct, that they should be allowed to undo a reserve fund they established. After all, there is no requirement in this House to have a two-thirds majority for anything. I do not think it would be democratic to say to a municipality: "You should have that sort of thing. You should have to do that."

**Mr. Swart:** You don't apply that principle to the Planning Act.

**Mr. Rotenberg:** As a matter of fact, I think we have taken it out of the Planning Act, in response to the interjection, which, of course, is out of order. There is no more planning board, as the member knows and as we were discussing in committee, and therefore there is no requirement for a two-thirds majority for planning.

**Mr. Swart:** A municipality cannot change plans willy-nilly.

**Mr. Rotenberg:** Just a moment. The principle is that a municipality requires an approval for its

plan originally from the municipal board and, therefore, the municipality requires approval for a change. What the municipality can do is put in the reserve fund without approval from anybody. If a municipality can establish it without approval, it should be able to undo it without approval; if there was a requirement for OMB approval for the reserve fund, of course, there should be. But, with respect, the reserve fund is a device for a municipality to put some money in a special account. I think it should be allowed to do that and to change it.

I think I have dealt with the major matters the members opposite have raised. I understand the member for Welland-Thorold wishes the bill to be put into the committee of the whole. If that is his desire, it will go to committee and we will deal with this problem when we get to committee of the whole House.

Motion agreed to.

Ordered for committee of the whole House.

#### REGIONAL MUNICIPALITIES AMENDMENT ACT

Mr. Rotenberg moved, on behalf of Hon. Mr. Bennett, second reading of Bill 15, An Act to amend certain Acts respecting Regional Municipalities.

**Mr. Rotenberg:** Mr. Speaker, this bill is very similar to the two previous bills. Most of the provisions are the standard provisions that are going into the Municipal Act and the regional act and, as we have just seen, the County of Oxford Act. They are similar to the act we have just passed.

The amendments include provisions for changing the terms of debenture, for the resignation or disqualification of regional councils and the method of changing status for a municipality. These are common to all municipalities dealt with under the regional act. Of course, similar matters will be dealt with in the Municipality of Metropolitan Toronto Act when we get to that a little later on in this session.

**12:30 p.m.**

We have provisions on banks, transit lanes, grants and so on, all of which have already been discussed in the other bills. However, there are some amendments that are individual to the individual regions. These include the change of quorum in the Ottawa council, an exemption from taxation in the Ottawa-Carleton convention centre and an alteration of the boundary in the Kitchener-Waterloo region. These amend-

ments are all at the request of the regional councils.

With those words, I would commend this bill to the House.

**Mr. Epp:** Mr. Speaker, we are going to support this bill. As the parliamentary assistant has indicated, there are some changes. I was surprised to learn, though I should have noticed, that in the village of Rockcliffe Park in Ottawa, which is a regional municipality, they do not call the head of that council mayor. One of the things this bill will do is designate the head of that council as mayor. That also applies to the townships of Cumberland and Osgoode.

I want to address two things in the bill, the first being grants to hospitals. I understand in Durham, Haldimand-Norfolk, Halton, Hamilton-Wentworth, Peel and Sudbury the local municipalities may not give grants to hospitals. This amendment to the act will permit them to do so.

As the member for Welland-Thorold (Mr. Swart) pointed out earlier, this is a new imposition on the property tax. All of us know that the property tax is one of the most regressive taxes in existence. It is probably equally regressive to the sales tax because it places the burden on those people who have the ability to pay as well as those who do not or who have a much lesser ability. That is why it is regressive. There are many taxes like income tax where those who have the ability pay more and those who do not have the ability pay less, based on their income.

This is an attempt by the province to gloriously permit municipalities to have more autonomy by giving their money away to hospitals, while on the other hand telling them, "We are shortchanging the hospitals on a daily basis and therefore we are going to put the burden on the municipalities to pay that money." That is somewhat ambiguous because, although it appears there is more autonomy, in actual fact it is passing the buck. As Harry Truman said, "The buck stops here," but the provincial government does not believe in that. They keep passing the buck either to municipalities, the federal government or the citizens of Ontario. Never do they accept responsibility if anything goes wrong.

We know that hospitals are suffering currently. They are going to have deficit budgets. The parliamentary assistant is keenly aware of that. They are going to put the burden on the municipalities to come forward with the money they may require in order to avoid deficit financing.

The other aspect I want to address is not only what is in the bill but what has been clearly omitted; that is, an amendment to the act that would permit municipalities to have the chairmen of councils of the various regions elected as opposed to being appointed. I have mentioned this in the Legislature on at least one occasion and probably on 10 or 15. One of these days the government will catch up with the will of the people.

**Mr. Boudria:** Do not count on it.

**Mr. Epp:** I did not say it was going to be a Conservative government. It will be a Liberal government.

**Mr. Boudria:** Okay. A Liberal government would do it for sure.

**Mr. Epp:** A Liberal government is going to do it. Hansard should note that a lot of people in the government benches are nodding yes; this is a very important amendment and very shortly, certainly after the next election, we are going to make this important change. I know you will appreciate that, Mr. Speaker, because finally there will be some democracy down your way, although I do not in any way deny the fact that you are elected by the will of the people—

**The Deputy Speaker:** Ah.

**Mr. Epp:** —recognizing the great abilities that you have, etc.

**Mr. Boudria:** Nonpartisan ability.

**Mr. Epp:** Nonpartisan, very much so. But—

**The Deputy Speaker:** But—

**Mr. Epp:** But—

**Mr. Boudria:** However—

**Mr. Epp:** Getting back to the principle of the bill, Mr. Speaker, I wish those people over there would not always interrupt me so I have to digress. The parliamentary assistant has never clearly indicated to this House why the chairman could not be democratically elected and be a member of the local council.

We know the Prime Minister of Canada has a local constituency and we know the Premier (Mr. Davis) has a local constituency, yet both these positions are more important than the Metro chairman. I am sure the parliamentary assistant would agree with that. They are more important and they should be more important than the chairman of Metro council, or the chairman of the region of Waterloo, or the chairman of the region of Durham, or the chairman of any of the other regions, including the region of Niagara or the region of Peel, where the Premier is from. All these chairmen



should have seats where they are elected locally rather than first being appointed, usually from a locally elected position and after that being annointed.

When this bill comes before the committee of the whole House, we will give real consideration to trying to amend these acts so that if at all possible the people in the boondocks, out there in the various regional municipalities, can have a say as to whether the regional chairman is elected. By making sure he is elected at a local level, the people in that municipality or that ward will have a say as to who is the chairman.

I challenge the parliamentary assistant to come up with one good reason—and I said a good reason; he can come up with a lot of shady reasons—why the chairman should not be elected.

**Mr. Cassidy:** The Liberals voted against that principle three or four years ago.

**Mr. Epp:** Here we go again. The member for Ottawa Centre should get his facts clear.

**Mr. Cassidy:** You had a chance. We have been consistent.

**Mr. Epp:** The member should get his facts clear. We have always been in favour of having the chairman elected. Never have we opposed that principle, and I dare the member to quote one single occasion where we have opposed the principle of his being elected.

**Mr. Swart:** Mr. Speaker, this is the third municipal bill before us today and I waited expectantly for the Minister of Municipal Affairs and Housing (Mr. Bennett) to come into the House and deal with his bills. That is no reflection on the parliamentary assistant; although I may disagree with him on many issues, he has been very diligent in the duties which have been assigned to him. It seems to me this Legislature and the committees of this Legislature have the right on occasion to have the minister here when municipal bills are being dealt with.

We have had what I think is the most important bill that any municipal affairs minister has presented in this House, the new Planning Act, before a committee for almost two years. The Minister of Municipal Affairs and Housing has never appeared before that committee for that important bill. Again, this is no reflection on the member for Wilson Heights (Mr. Rotenberg) who is carrying this bill. The reflection is on the minister. He has no concern for municipal affairs, important as they are in this province. I wonder if he even has any concern for housing.

**Mr. Boudria:** He is concerned about his own house.

**Mr. Swart:** He has a concern about his own house; that is for sure, and the money to pay for it. I just wonder what that minister does. It is not unfair to say it is time he took some responsibility for municipal affairs and for important legislation that is before this House.

**12:40 p.m.**

The second general comment I want to make is that the member for Waterloo North (Mr. Epp)—I do not have to get Hansard out—knows very well that the Liberal Party voted against an amendment when there was a minority government to have the chairmen of regional governments elected. There is no question about that. That is all in Hansard.

In fact, just last week the member for Brant-Oxford-Norfolk (Mr. Nixon) got up—I may paraphrase him to some extent but he said when his party voted against that amendment, which I had put forward, he almost had heart failure.

The only time we have ever had the opportunity, since the member for Waterloo North and I have been in this House, to see that the chairmen were elected, he and his party voted against that amendment. I do not doubt his sincerity here today, but one has to doubt the sincerity of the Liberty Party about really wanting that. The excuse at that time as to why they did not vote for the election of regional chairmen—and these are his words not mine—was, “Sure we are in favour of it, but this is not the appropriate time to do it.” We had the bill before us and could have done it. The member for Waterloo North said that was not the appropriate time to do it.

In Bill 15 which we have before us there are a number of items, in fact perhaps the majority of them, that we dealt with under the revised County of Oxford Act and I am not going to repeat myself in comments on those particular sections; whether they are the alteration of the status, the seats vacant, the resignations of members applying to both of the councils on which they serve, or whether comments with regard to the foreign banks, I accept his argument. I think it is a bit hasty to do it. I think he could have waited for five years to show his displeasure. But wanting to be in conformity with the federal Liberal government and in spite of what he says I know he is anxious to be in conformity on interest rates and a great many

other things too, I respect his desire to get in conformity with them.

I am not even going to deal once again with the issue of the aid to hospitals. The comments I made on that are applicable here; it can be disastrous for the property taxpayers of this province. I think we had better recognize that this is just opening the door. This is just the camel's head.

Mark my words, if that government is in power five years from now, which is very unlikely, members will find that a very large proportion of the capital costs of hospitals are going to be borne by the property taxpayers. I make that prediction here today. First, I make the prediction they will not be there in five years, but I make the prediction that if they are, the property taxpayer is going to be paying for it. I can just see it happening. "I am sorry we do not have the money for those. You will have to go to your local council and raise it locally."

**Mr. Boudria:** Hospitals by the acre.

**Mr. Swart:** Yes, hospitals by the acre; that is interpreted as some acres in other areas as well.

Sections 6 and 7 are included in the other bill which we have already discussed. In section 9, the matters of offering an award, competition, fellowship, scholarship, are all part of the same policy of the Conservative government to start to revert costs back to the local municipalities, as I said before, under the regressive property tax act.

The changing of the terminology so that the heads of the areas and municipalities become mayors is an amendment that I think we can support.

I am intrigued by the change, although I agree with it, in the quorum of the council where there is now an additional member in council. That is to make sure that the majority of the members of council form a quorum. I would just say to you, Mr. Speaker, that, as you well know, if that was the situation in this House it would never function from January to December.

**Mr. Boudria:** I do not think we have quorum right now.

**Mr. Swart:** We may have, although it is rather doubtful. No, I do not think we have one. However, we will not bring that to the attention of the Speaker because I know the member wants to make a few comments on this, which he would not be able to do in that case.

I think that it is desirable. I also think it is desirable that we take a look at the standing orders of this House to see that they require

more than the present 20 out of 125 members as a quorum.

That brings me to the end of my comments on this bill. I look forward to the reply of the parliamentary assistant, in the absence of the minister.

**Mr. Boudria:** Mr. Speaker, I would like to speak briefly on this bill. I share the views of the member for Welland-Thorold (Mr. Swart) in regretting that, as on too many past occasions, the minister (Mr. Bennett) is not here today to discuss another of his bills. I find this bill is particularly significant because the area where his constituency is located is affected. Part of this bill affects the regional municipality of Ottawa-Carleton. I have been a member of the municipal council of Ottawa-Carleton, as has the minister and the member for Ottawa Centre (Mr. Cassidy), I believe, and probably other members of this Legislature as well.

I welcome the change in renaming the reeves as mayors. I moved that resolution in Cumberland township council prior to resigning in order to come to this Legislature. I welcome that change, and I think the residents of the township of Cumberland do as well. Very briefly, the title of reeve is nearly impossible to translate into the French language; at least, in my view an adequate translation cannot be made. As far as I am concerned it would be much more convenient if it were abolished everywhere and replaced by something that could more easily be used in both languages.

In French, the same word is used for reeve and warden, and that causes so much confusion it is impossible to deal with it. Both of them are known in French as *préfets*, which tends to confuse people, especially in our area. So I welcome that change.

I want to reiterate the concerns of the member for Waterloo North (Mr. Epp) when he says that, again, we witness that this bill does not recognize the fact that regional chairmen should have a seat, or should represent an area specifically, besides the function that they have as regional chairmen.

I have spoken to this in the past. The parliamentary assistant will remember I discussed the fact that a very good mayor of one of the municipalities in Ottawa-Carleton resigned his seat to run for the regional chairman position. Actually, two very competent mayors did that, the mayors of Vanier and Nepean.

The mayor of Nepean was successful. We all can appreciate that when two good candidates run, unfortunately one of them loses. We recall



that happened in certain constituencies in this province, and the same happened in that area; the mayor of Vanier did lose. Had they both been able to keep their positions and then run —

Interjection.

12:50 p.m.

**Mr. Boudria:** No, here he goes again saying they could have kept their positions. That is not possible. He could have run again for mayor, yes, and then two days after the election resigned the seat as mayor he had won two days before to run for regional chairman. If the government is advocating that policy, I would say it is absolutely ridiculous. One does not run on a mandate that if he is elected he will resign to run for something else. That is impossible, and I would suggest to the member that as long as the government has that policy it is totally inadequate. Every mayor and every member of a regional council should be able to run for the chairmanship without resigning his seat.

I do not want to take any more time on this except to say that I am concerned with another thing that happened to me when I resigned from municipal council, and it has not been addressed in very many areas yet.

When I resigned my seat after being elected to this Legislature, the council in my municipality decided in its wisdom to appoint someone who had never run for public office to replace me. In spite of the fact that there were three runners-up behind me, they were not chosen. It was only three months after the municipal election. The council decided in its wisdom not to call a by-election but to appoint somebody who had never run for anything in his life, and I do not feel that kind of thing should be happening.

I know I speak personally. We have not discussed this as a caucus or as a party, but I am concerned about that, and it is an item we should be addressing.

**Mr. Cassidy:** Mr. Speaker, I want to comment briefly on a couple of points that are involved. One is the tax exemption for the convention centre in the regional municipality of Ottawa-Carleton. As the parliamentary assistant knows, in the absence of the minister, this is something that people in the Ottawa area have undertaken in order to try to ensure that some of the convention business they hoped would be available would come to the nation's capital; the reason is that there was not an adequate facility in the capital, and conventions that were held there were either confined to small conventions that could be held in hotels or else were held at

the civic centre. The civic centre is not bad for political conventions, a purpose for which the building was to some extent designed, but for other types of conventions it is not particularly suitable.

I am crossing my fingers because as I watch the designs being made here in Toronto, as I look at the difficulties, to be frank, with the Hamilton convention centre, which is inadequately served by hotel space, as I look at the number of other municipalities across the continent which have decided that the wave of the future is to build a convention centre in order to generate business and serve as a tourist attraction and so on, I think it may well be, particularly in the kind of economic conditions we are facing, that everybody is being hopelessly optimistic in his projections.

I would hate to see it happen that the municipalities which are essentially going into business with subsidized convention centres may wind up falling well short of their projections and that the new forms of electronic communication will be sufficiently cheap that people under cost constraints will decide to communicate that way rather than meet in person. Those kinds of things could mean some of these convention centres will not work.

As a resident of Ottawa I hope ours will. It is right downtown; it is not stuck out by the airport. Ottawa is an exceptionally attractive city. It is a tourist attraction. Canadian cities have a reputation in North America as convention centres because one can walk around them at night without getting mugged and because they are a different kind of urban space than that which many American cities are currently able to provide.

The convention centre is close to being completed now. It will benefit from this tax exemption, which essentially is the regional municipality saying, "We will not pay tax to ourselves." They are saying this, however, through the legislation with respect to school taxes as well. I hope this is borne in mind by the Ministry of Education when some of the tax changes are being made, because it is the government that is supporting this particular change with respect to the convention centre.

Most of the other issues here are routine, but I would echo the sentiments of the member for Waterloo North (Mr. Epp) and reiterate what I have been saying in this Legislature from the days when I was municipal affairs critic back in the early 1970s. That is, surely the time has come when regional municipalities can be deemed

to have grown up enough to take over the responsibility of having an elected chairman rather than an appointed one.

People would think it ludicrous, they would think this province was like Argentina, if we had a system whereby the Legislature were to pick from all the 8.5 million people who do not stand for election the man or woman who would be the Premier of the province. Yet that is essentially the situation which now exists de facto for the regional municipality of Ottawa-Carleton. It exists here in Metropolitan Toronto and in the other eight or nine regional municipalities across the province.

It does not make sense. Democratically, it is a lousy system. It means that for the electors, for the citizens, there is absolutely no way they can directly influence any action taken by the regional chairman. The member for Wilson Heights (Mr. Rotenberg) is well aware of the degree of power enjoyed by the regional chairmen because in another age, when he was wearing another hat and was actively engaged on the Toronto council, he could see first hand how much power is held by that office, particularly when the regional or Metro chairman is not directly responsible to any electors.

The regional chairmen traditionally can form alliances. They are the only members of the regional councils who work full-time on regional business because all other members of the regional councils have local concerns. The other members of council, being politicians, tend to respond more frequently and more directly to the political concerns expressed to them by their constituents at the area municipality level of government.

Essentially, there is one person on each regional council who works at it full-time and who can focus on what the regional council or government does full-time. There are 15, 20 or 25 others who can only do it part-time and who are torn because politically the action is at the lower level of government.

In addition to that the regional chairman, because of the time he spends on the job and because of his power, is the only member of the regional council who has any real clout with the regional staff. The regional chairman acting in his administrative capacity as chairman is privy to all the information and exercises executive control in many cases over the regional staff.

In other words, if one wants a pothole fixed or an equivalent kind of service from a regional municipal government, one has to be friends with the regional chairman because he can decree whether the pothole gets fixed, whether one's project is put high on the list of local priorities or whether it is forgotten, delayed by a couple of weeks, not done or deferred until the next year.

No power is absolute. No power of a regional chairman is absolute. None the less, universally the regional chairmen—this is not just a situation in Metropolitan Toronto—manage to exercise a degree of power which I believe might be warranted if they held elected office, but which I cannot believe is justified when they are not elected people.

While it is the case that many regional chairmen have held elected office locally or municipally, it is not universally the case. We have seen civil servants imposed on municipalities as regional chairmen by this government in certain cases.

**Mr. Rotenberg:** Once.

**Mr. Cassidy:** That is right. The parliamentary assistant acknowledges what I have said. He also points out it was once. The fact is a precedent has been set and it is possible for a regional council to decide to put in anybody it wants. It could appoint to the office of regional chairman a garbage collector, a ballet dancer, a Conservative, for God's sake, or someone who had never set foot in local government affairs. Theoretically, those persons could come in.

On motion by Mr. Cassidy, the debate was adjourned.

#### ROYAL ASSENT

**The Acting Speaker (Mr. Cousens):** I beg to inform the House that in the name of Her Majesty the Queen, the Honourable the Lieutenant Governor has been pleased to assent to certain bills in his chambers.

**Clerk of the House:** The following are the titles of the bills to which His Honour has assented:

Bill 28, An Act to amend the Ontario Unconditional Grants Act.

Bill 84, An Act to amend the Highway Traffic Act.

Bill 111, An Act to authorize the Raising of



Money on the Credit of the Consolidated Revenue Fund.

Bill 112, An Act to amend the Tobacco Tax Act.

Bill 113, An Act to amend the Provincial Land Tax Act.

Bill 114, An Act to amend the Corporations Tax Act.

Bill 125, An Act to amend the Children's Law Reform Act.

Bill 135, An Act to amend the Unified Family Court Act.

Bill 144, An Act to amend the Provincial Courts Act.

The House adjourned at 1 p.m.

## APPENDIX

## ANSWERS TO QUESTIONS ON NOTICE PAPER

## CANADIAN PRIORITY TRANSFER CO.

**96. Mr. Swart:** Would the Chairman of Management Board of Cabinet and the Chairman of Cabinet report the number and designation of all current contracts between ministries of government and the Canadian Priority Transfer Co. of 840 Garyray Drive, Weston? [Table April 22, 1982].

**Hon. Mr. McCague:** 1. Ministry of Health—During the fiscal year 1981-82, three contracts existed covering the following services: (a) courier service for the London OHIP office; (b) pickup of laboratory specimens from health units for delivery to the public health laboratory, Hamilton; (c) pickup and delivery of medical specimens for the North Bay Psychiatric Hospital.

2. Other ministries—During 1981-82, no contracts existed, although from time to time courier service was used for individual transactions of a minor nature by the following ministries: (a) Ministry of Agriculture and Food (1); (b) Ministry of Community and Social Services (1); (c) Ministry of Government Services (4); (d) Ministry of Natural Resources (4); (e) Ministry of Transportation and Communications (30).

Requests for additional information concerning any of these transactions should be directed to the minister concerned.

## INCREASES IN ASSISTANCE

**171. Mr. Breaugh:** Will the ministry list all announcements made by ministers of the crown before May 13, 1982, budget date, of upward adjustments of government assistance to municipalities, special purpose bodies, children's aid societies, school boards and other local bodies? In each case, will the ministry provide the date, place and details of the announcement made by the minister? [Tabled May 19, 1982].

**Hon. F. S. Miller:** January 28, 1982—The Honourable Claude Bennett announced provincial transfer payments to municipalities for 1982 to a meeting involving representatives from the Association of Municipalities of Ontario at the Westbury Hotel in Toronto?

Mr. Bennett projected total 1982 municipal transfers at "nearly \$2.5 billion" or 10.5 per cent above 1981 budgeted transfers, and itemized the provisions for the individual unconditional grant programs for the year.

At the same meeting the Honourable James Snow announced that provincial support towards municipal roads and municipal transit would increase in 1982 by 6.8 per cent and 14.6 per cent respectively.

February 17, 1982—The Honourable Bette Stephenson, in a letter to all school board chairmen announced that 1982 general legislative grants would be \$2,740,000,000, or 10.87 per cent more than the interim 1982 grant level of \$2,471,000,000.

The letter also contained specific details on major aspects of the grant program for 1982, including recognized maximum ordinary expenditure per pupil, assessment equalization factors, mill rates used for the grant calculations, provisions for special education and French-language education, and assistance for declining enrolment.

February 23, 1982—The Honourable James Snow announced to the Ontario Good Roads Association at the Royal York Hotel in Toronto that the ministry's subsidy for roads construction and maintenance would increase from \$419 million in 1981 to \$446 million in 1982.

March 25, 1982—The Honourable Keith Norton announced in a press release from Toronto that grants to municipalities for termite control would increase to \$500,000 from the \$300,000 originally estimated for 1982-83. The basic terms of the program remain unchanged, but the funding level had to be raised due to unexpected demand.

## PARRY SOUND DISTRICT HIGH SCHOOL

**182. Mr. Grande:** Would the Minister of Education provide the following figures concerning the Parry Sound District High School: (a) What was the enrolment as of January 1, 1982, or as of the first available enrolment report prior to January 1, 1982? (b) How many students took advantage of the offer to attend a school in another jurisdiction, from February 8, 1982, to April 29, 1982? (c) How much money did the Parry Sound school board pay per day to each student who chose to receive schooling in another jurisdiction? (d) What reasons did the trustees advance to justify this course of action? (e) Would the minister table the board of trustees' minutes of the meeting at which the motion was adopted? (f) Would the minister comment on the legality of the plan of action?



(g) What percentage of the daily allowance given to each student originated from Ministry of Education grants? (h) Would the minister list other boards of education across Ontario that have adopted the same method? (i) If other boards have adopted these tactics, would the minister please supply me with the same information requested in questions (a) to (g) inclusive? [Tabled May 21, 1982].

**Hon. Miss Stephenson:** (a) The enrolment on January 31, 1982, was 1,186 pupils. (January 31 is the day on which enrolment is counted for grant purposes.)

(b) The West Parry Sound Board of Education reports that 169 students took advantage of its offer.

(c) The West Parry Sound Board of Education reimbursed parents for board, lodging and transportation in the amount of \$11 per day for each day a pupil was in attendance.

(d) The board has indicated that it was endeavouring to provide for the education of students in a very difficult situation.

(e) The board adopted the motion authorizing reimbursement at its regular meeting of March 1, 1982. (The relevant portion of the board minutes appears below.)

(f) The minister is not able to comment upon the legality of the plan of action, but notes that the board appears to have relied upon subsection 166(9) of the Education Act and that subsection does not appear to be limited by its terms to any particular circumstance.

(g) The board's rate of grant on second-level extraordinary expenditure is 95.87 per cent for 1982.

(h) The ministry is not aware that any other boards have adopted such a position in similar circumstances.

West Parry Sound Board of Education  
Minutes, Board Meeting  
March 1, 1982

Trustee Anderson asked that consideration be given to providing facilities for after-school activities for those children whose parents are working. It was suggested that the recreation committee might conduct such a program if facilities were made available. Input might be obtained from the Ministry of Education and the Ministry of Health. Trustee McIntyre has done some investigations in this regard.

Trustee Dunn referred to the winter program in skiing in the elementary schools in Muskoka area and suggested that the board investigate the feasibility of such a program in this area as there would not be a great expense involved.

Trustee Kirkland inquired if the English language is stressed in all other subjects taught in the Parry Sound high school. Mr. Yauk advised that the Ministry of Education has a policy in this regard and the onus is on each school to teach language skills in every class.

**Board and lodging:** A proposed policy for payment of board and lodging for students attending schools outside the board's jurisdiction while the secondary school teachers are on strike was presented for ratification. The policy had been considered by the trustees at a committee-of-the-whole meeting, in private, on February 24, 1982.

Trustee Dunn asked for an amendment to the proposal.

82-32 moved by Trustee Dunn, seconded by Trustee McIntyre:

That whereas the board would prefer a speedy resolution to the dispute with the secondary school teaching staff, and

Whereas, in the meantime, it is necessary that students miss as little school as possible,

Be it resolved that the board approve a reimbursement of board and lodging expense for students who transfer to another secondary school as follows:

Eligible students—all resident students presently enrolled;

Effective date—certified day of enrolment at other school;

Termination date—first Friday following end of strike;

Amount—\$11 per day for each day of certified attendance at another secondary school;

Reimbursement—to be made monthly following receipt of attendance record.

Carried.

Trustees Emery, Kirkland and Purdon declared conflict of interest and did not discuss the matter or vote on the motion. Trustee Dunn stated he would also be in conflict except for the fact that he would not be applying for the board and lodging allowance.

## MANAGERS OF LICENCE PLATE BUREAUS

**192. Mr. Mancini:** Would the ministry provide a list of people consulted in each municipality on the appointment of the managers of licence plate bureaus, as well as a list of the managers, their municipalities and their qualifications? [Tabled May 28, 1982].

See sessional paper 156.

## USE OF METHYL ETHYL KETONE

**211. Mr. Martel:** Will the Minister of Labour provide an update on the ministry's investigation into the use of the substance methyl ethyl ketone at the Hanna Avenue plant of Irwin Toy Ltd.? As a result of the orders issued relating to protective equipment and other matters, will charges be laid against Irwin Toy Ltd.? [Tabled June 7, 1982].

**Hon. Mr. Ramsay:** Tests carried out by the ministry on April 13 showed that ambient air concentrations of methyl ethyl ketone at the Hanna Avenue plant of Irwin Toy Ltd. were well below the threshold limit value. An order, concerning the use of protective gloves by workers using the solvent, was complied with at the time of issue.

A list of substances used at the plant has been compiled by the company, and further tests will be carried out when the plant is again in normal operation.

The company nurse has no record of any complaints about skin irritation from workers.

The ministry will not lay charges in respect of these matters.

## ROTHSAY CONCENTRATES CO.

**212. Mr. Martel:** Would the Minister of Labour indicate if charges will be laid against Rothsay Construction Co. in Moorefield following the issuance of 17 new orders to rectify certain physical hazards in the plant? [Tabled June 7, 1982].

**Hon. Mr. Ramsay:** The ministry file on Rothsay Concentrates Co. Ltd. has been referred to determine whether legal action is warranted.

## WILCO CANADA

**214. Mr. Martel:** Would the Minister of Labour advise the House if Wilco Canada has implemented a lead control program pursuant to orders issued against the company on February 24, 1982? What further action will be taken relating to intimidation of the workers by a threatening letter dated December 16, 1981? [Tabled June 7, 1982].

**Hon. Mr. Ramsay:** Wilco Canada has implemented a lead control program pursuant to orders issued against the company on February 24, 1982.

The ministry solicitor advises that the context and content of the December 16, 1981, letter are not in violation of either the Occupational Health and Safety Act or the regulation respecting lead made under the Occupational Health and Safety Act. No further action is contemplated.

## INTERIM ANSWERS

**206. Mr. Laughren:** Hon. Mr. Pope—The reply to question 206, Order Paper 54, will be available on or about July 8, 1982.

**209. Mr. J. A. Reed:** Hon. Mr. Pope—The reply to question 209, Order Paper 55, will be available on or about July 8, 1982.



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Ontario

No. 90

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Monday, June 28, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

**Monday, June 28, 1982**

The House met at 2 p.m.

Prayers.

## INTRODUCTION OF MEMBER FOR HAMILTON WEST

Mr. Speaker informed the House that the Clerk had received from the chief election officer, and laid upon the table, the certificate of a by-election on June 17, 1982:

Electoral district of Hamilton West: R. Allen.

## PROVINCE OF ONTARIO

This is to certify that, in view of a writ of election dated May 10, 1982, issued by the Honourable the Lieutenant Governor of the province of Ontario and addressed to Paul W. Drage, Esquire, returning officer for the electoral district of Hamilton West, for the election of a member to represent the said electoral district of Hamilton West in the Legislative Assembly of this province, in the room of Stuart L. Smith, Esquire, who since his election as representative of the said electoral district of Hamilton West has resigned his seat, Richard Allen, Esquire, has been returned as duly elected as appears by the return of the said writ of election, dated June 25, 1982, which is now lodged of record in my office.

(Signed) Warren R. Bailie, chief election officer; Toronto, June 28, 1982.

**Mr. Foulds:** Mr. Speaker, I have the honour to present to you Mr. Richard Allen, member-elect for the electoral district of Hamilton West, who has taken the oaths and signed the roll and now claims the right to take his seat.

**Mr. Speaker:** Let the honourable member take his seat.

Richard Allen, Esquire, member-elect for the electoral district of Hamilton West, having taken the oaths and subscribed the roll, took his seat.

## RETIREMENT OF MRS. FRANCES NOKES

**Mr. Breithaupt:** Mr. Speaker, while a new member takes his place in the House it is also, unfortunately, a day that we say goodbye to someone who has served this Legislature for a long period of time. I refer, sir, to Mrs. Frances Nokes, who has been a clerk in the Legislature

since 1965. It was on July 12 that Fran began to work as a part-time secretary with a rather short-term project, the select committee on company law.

That committee has presented 10 reports to the House, and only one member of the Legislature has served through nine of those report periods; that is the member for Riverdale (Mr. Renwick). In his length of service during all but one of those 15 years, he was, in fact—

**An hon. member:** The rock.

**Mr. Breithaupt:** Yes, the rock upon which the committee at times clung and at other times, I am sure, foundered. But, be that as it may, it is the clerk of the committee who has served throughout all those reports.

Mrs. Nokes was appointed as an assistant clerk of the Legislative Assembly and as clerk of the select committee on company law. She served on that committee and in that capacity from June 22, 1965, in the effective appointment of the committee, to December 15, 1981, when I, as chairman, was privileged to table the final report in the insurance area, dealing with accident and sickness insurance.

I do think it only reasonable to note that some 28 members of the House served on the committee at various times during the first five reports, and during the company law area dealing with insurance a further 28 members served, for a total of 56, of whom 25 continue as members of the Legislature. Many of us, then, have had some exposure and experience, not only to that subject but also more particularly to the activity and commitment and the warmth and ability that Fran Nokes brought to her task as committee clerk.

I want everyone to know that the birth of a new grandson, Jeremy, just a few days ago, is going to keep her even more active in the years to come.

Fran has one particular distinction, and that is that on October 2, 1973, after her appointment as assistant clerk, she became the first woman to sit at the table of the House in Ontario and, indeed, one of the very few who have sat at the table in any Canadian jurisdiction.

I am certain that all members wish Fran Nokes many happy and healthy years of active

retirement. We thank her for the service that she has given not only to us as members but also to the Legislature and to the people of Ontario.

**Mr. Speaker:** In a very personal way, as well as on behalf of all members of the Legislature, I wish Mrs. Nokes well in the future.

2:10 p.m.

#### STATEMENT BY PRIME MINISTER

**Mr. Shymko:** Mr. Speaker, I rise on a point of privilege to express the fact that I am deeply disturbed by a statement made by the Prime Minister of Canada in Belgrade, Yugoslavia, on Friday, June 11, 1982—

Interjections.

**Mr. Shymko:** It affects the leader of Her Majesty's Opposition and every member in this House. The statement said it is a matter of policy to discourage and to curtail the basic freedom of association and freedom of expression as guaranteed by the Charter of Rights—

**Mr. Speaker:** Order, please. With all respect, I must point out to the honourable member that this is not a matter of privilege.

**Mr. Shymko:** I believe if I could—

**Mr. Speaker:** Order, please.

#### ORAL QUESTIONS

##### TAX ON MEALS

**Mr. Peterson:** Mr. Speaker, I have a question for the Treasurer. I noticed in today's press that the government is now not going to tax university students who eat in school cafeterias. Is it true that he has withdrawn that tax?

I ask the Treasurer that question because it is unfortunate that these things have to sneak out through the press. Is that true, and has he backed off on any of the other taxes he imposed in his budget? Has he changed the regulations so that certain people will escape who previously thought they were going to be trapped in his tax net?

**Hon. F. S. Miller:** Mr. Speaker, the word "withdrawn" is not correct, but the balance is true. Each year as a Treasurer announces certain tax measures, be they additions to or eliminations of taxes, the Ministry of Revenue, as the honourable member knows, then writes descriptive regulations.

In an attempt to make a regulation that covers what it believes to be the spirit of intent, the Ministry of Revenue normally talks to the Ministry of Treasury and Economics or, very

often, to groups of people who are asking for rulings on these matters.

Sometimes, in fact almost every year, when the ruling is not clear in its meaning, it will come back with a series of questions. This is one of those kinds of questions. I suggest that it was never the spirit or intent in taxing purchased meals in a restaurant to charge people who, in effect, are in their own residences.

**Mr. Peterson:** I am gratified to see this major change. What is remarkable is to see this retreat without an ounce of grace attached to it. However, that is apart from the point.

Are there any other areas the Treasurer has backed off from? For example, has he backed off from meals in high school cafeterias so that young people buying lunch do not have to pay tax? Will he please now give us the regulations he is working on so we will not have to thresh old straw as we go through the committee hearings that start this afternoon?

**Hon. F. S. Miller:** To answer again the member's specific question as to whether I have backed off from meals in high school cafeterias, the answer is no. In that case, a meal is being purchased specifically by a person who has made that decision.

In the other case, where a student is at work or in residence and the room and board is part of the overall cost of his or her education—for example, in many cases in a boarding school it is not broken out—it would be, in my opinion, a charge against a person who has no option and is living at home.

**Mr. Foulds:** Mr. Speaker, the Treasurer has caved in on this question, which I raised with him on June 21 and which had been referred to him by the Minister of Revenue (Mr. Ashe). He is now saying it is the Ministry of Revenue that is doing the revising. Will he back off on all his taxes that unfairly tax food in any way, shape or form?

Before the standing committee on resources development starts its hearings, will he place on the table of this Legislature and before the committee every one of the regulations governing the silly sales tax?

**Hon. F. S. Miller:** Mr. Speaker, this afternoon the committee will be dealing with Bill 115. I think some members have asked us to listen to the deputations coming in. The kind of thing the honourable member says is a withdrawal is something we have done 10 or 12 times after every budget, because there is always some difference in application between the spirit and



intent and the literal translation which occurs as the ministry writes the regulation. One could document that for any year in history. There is no big deal about this. The ministry last week —

**Mr. Foulds:** Read your answer of June 21.

**Hon. F. S. Miller:** I will be quite honest with the member. Until then, no one had brought it to my attention. The member performed a valuable service, because at that point the ministry had not run into it. I am sure some staff members had offered opinions. They brought those opinions to me about a week ago, and I said that was not the spirit and intent. The minister was present. We agreed.

**Mr. Breithaupt:** Mr. Speaker, following the decision made with respect to residential matters, will the Treasurer also acknowledge that sales tax will not be collected on meals served in hostels such as those operated by the House of Friendship in Kitchener for otherwise homeless men, or those operations such as the Young Men's Christian Association and the Young Women's Christian Association also provide concerning the provision of meals for those who are residents in those buildings?

**Hon. F. S. Miller:** Mr. Speaker, I hope we will hear a number of examples in public forums and, rather than jump to a conclusion, I will be listening.

#### APPLICATION OF TAX

**Mr. Peterson:** Mr. Speaker, the reality is that the Treasurer has again jumped to some half-baked conclusions. He has already backed off on taxing Meals on Wheels. He has backed off on camps for disadvantaged as long as they do not compete with commercial camps, but they are still taxing children who go to camp although presumably the food is included in the price of the camp.

He has backed off on church suppers after pressure from this side of the House, and now he is backing off on food for universities. The minister will understand from the question of my colleague and a variety of others that will come from this side immediately, that he is still caught up in a large number of anomalies. It is obvious that he has not thought this out. It is obvious he is just backing off as he gets pressure.

Will he grace the committee at least with a list of the areas he is going to back off from so we do not have to waste a lot of time on it? Will the Treasurer give it some serious thought in the next few hours before he comes to this committee? If not, he will be backing off a lot more.

**Hon. F. S. Miller:** Mr. Speaker, if my honourable friend would go back and read the regulation which he alleges was created post-budget, he would discover there was no such thing as backing off on charitable meals for church organizations. The regulation clearly identified events up to a maximum of four and a total of \$50,000 a year prior to this year's budget. The word "event" meant things like dinners, bazaars, whatever. This year we adjusted, I understand, two things: the number and the top value. Those allow for inflation and the realization that events were very loosely defined in the past in terms of counting.

**Mr. Peterson:** That is extraordinary. The Treasurer should be backing off, but how he can do it with a straight face and pretend he is not is absolutely beyond my ken.

I want to ask a question with respect to the budget. The Treasurer has said job creation was the top priority in his budget and he has received a letter from John Fenton, general manager, product support, of Crothers Ltd., talking about the seven per cent tax on labour. I will not read all the details, but one of his points is that he will have to lay off a number of people. He has already laid off 30 mechanics in his Concord shop alone, and he is reviewing mechanic levels in all nine of his company's branches in Ottawa, Peterborough, Timmins and other cities.

**Mr. Speaker:** Order. That is not a supplementary to the main question.

**Mr. Peterson:** It is very much a supplementary to backing off on his budget. That is what the question is about.

Given the facts the writer raises for the Treasurer's attention, which are that his new taxes on labour will cost a substantial number of jobs, and given that the Treasurer said his priority in this budget was to create jobs, will he back off his tax on labour which, as he is going to find out in the next two weeks, is hurting a tremendous number of businesses right across the province?

**Hon. F. S. Miller:** No.

2:20 p.m.

**Mr. Breagh:** Mr. Speaker, part of this problem is that we do not have those regulations. I would think it would be in order for the Treasurer to table those when he goes to the committee.

Some time ago the Treasurer's government made virtually every high school kid in the rural areas of this province get on a bus early in the

morning and go some distance to a secondary school. Is he now saying that the kids who have to eat their lunch in the cafeteria in the Napanee and District Secondary School will pay that tax and that other kids who go to private residential schools, such as Upper Canada College, will not pay it? How is that fair?

**Hon. F. S. Miller:** Mr. Speaker, I have lost the thread. A person who buys a meal and who is living somewhere else will pay tax. A person who buys a package which includes a number of items, such as a residence with meals, with education, with whatever, does not pay the tax.

**Mr. Peterson:** I ask a simple question: Before the committee starts to sit at three o'clock or 3:30 today, will the Treasurer provide a list of everything he has now exempted from taxation? Does he know what he has now exempted, and will he look at some further exemptions when we prove to him that he is unfairly taxing certain other people he has yet to exempt? Will he look at the situation from that point of view?

**Hon. F. S. Miller:** The Leader of the Opposition knows full well that the regulations are written by my colleague the Minister of Revenue (Mr. Ashe). I think he will be the minister before the committee. I will be there for almost every session of that committee. I will be quite glad to answer spirit, intent and policy matters.

I am quite sure the member will discover that the Minister of Revenue will give him any details on existing regulations. Until he creates them or until we find an in-between area—and there are many in-between areas; I would like him to clearly define almost anything in this life so that we do not have these overlaps, which is almost impossible—I suggest we would be jumping to conclusions to assume we are still not listening, still not able to adjust.

#### WAGE AND PRICE CONTROLS

**Mr. Martel:** Mr. Speaker, I have a question of the Treasurer with respect to wage control. On January 26, the Premier was quoted in the *Globe*: "Premier William Davis has categorically ruled out wage controls for Ontario's public employees." That same day, in the *Toronto Star*, John Deverell said: "Ontario will not clamp legal controls on the wages of its 55,000 public employees, Premier William Davis says."

Given these two statements by the Premier and given some of the rumblings that have gone on in the past three or four days, is the Treasurer prepared to indicate what position the government is going to take with respect to wage

control, in view of the Premier's original statements back in January?

**Hon. F. S. Miller:** Mr. Speaker, I really could not. The issues here are, first, I do not know whether there is going to be any form of constraint, control, whatever. We are talking about something in advance of a definition by the federal government. Second, my Premier has been invited to be in Ottawa on Wednesday to talk to the Prime Minister of Canada.

I would suggest that none of us should jump to any conclusions before such time as that meeting has taken place, and before the Premiers and the Prime Minister of Canada have had a chance to discuss the contents of the budget. Tonight, we will know whether the question needs to be posed at all. Until then, we should not prejudice the matter.

**Mr. Martel:** I am not attempting to prejudice, I am simply going by what the Premier has stated. When the Treasurer and the Premier are in Ottawa this week, will they be prepared to attempt to clear up the popular misconception, which apparently the Prime Minister of Canada suffers from also, that wage increases are the cause of inflation?

Will the Treasurer point out that wages have fallen behind the increases in inflation for the past three years and that it is senseless to put the blame on the victims without trying to resolve the real economic problems of this country?

**Hon. F. S. Miller:** Unless I have missed an invitation, I shall not be there on Wednesday.

**Mr. Speaker:** The member for Hamilton Centre.

[Applause]

**Mr. Breithaupt:** You see how they missed you?

**Ms. Copps:** Did you really miss me that much?

**Mr. Speaker:** Was that your supplementary?

**Ms. Copps:** My supplementary is, why is the government stalling on the agreement between the liquor store employees and the government of Ontario if it is not waiting around for an imposition of wage controls by the federal government?

**Hon. F. S. Miller:** Mr. Speaker, I am not a party to that at all, so I cannot answer it.

**Mr. Martel:** If the Treasurer is not going to be in Ottawa, will he advise the Premier, who is absent today, that the last round of wage controls did nothing to curb inflation? In fact, the research director of the Anti-Inflation Board



described that the last round of controls as having a relatively large impact on wages but very little impact on prices. Surely that is the position this province should be going to Ottawa with. Maybe the Treasurer is prepared to indicate to us what position the province is prepared to take if the federal government attempts to bring in wage controls on the civil service.

**Hon. F. S. Miller:** I do not think it would be wise for me to try to do that in advance of my Premier's hearing the Prime Minister's case. As in almost all negotiations, one does not exactly go to the press in advance—

**Mr. Martel:** Well he did; he did in January.

**Hon. F. S. Miller:** In January we made a series of suggestions. They were not for wage and price control, nor were they just for the public sector; they were a set of suggestions on the need for wage guidelines for the public and private sectors, if the honourable member will recall.

**Mr. Martel:** I hope they keep the promise they made back in January, only four or five months ago.

#### OCCUPATIONAL HEALTH REPORTS

**Mr. Martel:** Mr. Speaker, I have a question of the Minister of Labour. The minister will recall that I asked him to table the results of a 10-hospital study with respect to the use of ethylene oxide. He indicated to me that he was not prepared to release documents that were not completed or interim reports. In a letter to me he has indicated that the report now is done but, based on the confidentiality assured the administrators of the 10 hospitals by his predecessor, he is not prepared to provide that document.

Can the minister tell me why this report is so confidential that it cannot be given to the workers who need the protection when I have learned—through a newsletter from one his doctors, a copy of which I have and am not supposed to have—that a presentation was made by one his doctors quoting statistics indicating that there are serious health effects to workers who are exposed to this type of gas? Why is it that the workers cannot be protected and that it is only the employers who have done the study who have the assurance of confidentiality?

**Hon. Mr. Ramsay:** Mr. Speaker, if my memory serves me correctly, in the letter I wrote to the honourable member, while I did indicate that there had been some commitments made

by my predecessor, I believe I also said I would check to see whether the hospital would consider releasing that document.

**Mr. Martel:** It is being quoted extensively by some of the minister's staff and states in part: "In the hospitals studied, levels of nitrous oxide were at times shown to be in excess of the TLV of 25 parts per million. Pathologists working in the morgue and histopathology, as well as laboratory technologists, have exposure to levels of formaldehyde, which especially may be in excess of the acceptable guidelines."

That was in the November table. The same article confirms that the health effects of anaesthetic gas have been shown to cause twice the miscarriage rate, twice the birth defects, twice the infertility, three times the instance of leukaemia and higher instances of liver disease.

In view of these apparently horrendous statistics which are being quoted by some of his staff, does the minister not think it is time he released these reports so the workers will know what the hell it is they are exposed to?

**Hon. Mr. Ramsay:** As I indicated I would be doing in my letter to the member, I approached the hospital to see whether they would consent to those reports being released. I have not had a response as yet, but I would expect it should be favourable.

**Mr. Martel:** By using confidentiality as a reason for not giving out reports to workers, is the minister not himself contradicting his own act? Section 8 says, "Obtain information from the constructor or employer respecting the identification of potential or existing hazards of materials, processes or equipment;" and subsection 14(2), "Without limiting the strict duty imposed by subsection 1, an employer shall provide information, instruction and supervision to a worker to protect the health or safety of the worker." Section 15 is also applicable. Is the minister not violating his own act by entering into agreements which say they will not disturb the confidentiality of this, even if it proves detrimental to the workers who are being exposed to it? How can he expect anyone else to follow the act when he is not prepared to do so himself?

2:30 p.m.

**Hon. Mr. Ramsay:** Mr. Speaker, when I answered the question of the honourable member in the House originally, I stated that I had no objection to the report being released. It was not until I inquired into it further that I learned there had been a commitment made by my predecessor and, therefore, I was bound to

respect the decision that had been made by my predecessor.

#### TAX ON MEALS

**Mr. T. P. Reid:** Mr. Speaker, I have a question to the missing Treasurer. Maybe he has gone out to practise his exercises.

**Mr. Speaker:** Perhaps you could ask someone else.

**Mr. Wrye:** He is withdrawing another amendment. Ask the Minister of Revenue, he doesn't know anything either.

**Mr. T. P. Reid:** I guess I can redirect this to the Minister of Revenue. As has been indicated, there are a number of people who will not have an opportunity to appear before the committee examining Bill 115. One such woman has written to the Treasurer:

"Dear Sir:

As an employee of a high school cafeteria, I was appalled by your government's decision to tax the lunches of schoolchildren. However, my annoyance at this conscienceless act was compounded when I discovered that the food concessions of Metro Caravan are not subject to sales tax because the ostensibly charitable activities of this organization are cultural in nature.

"Perhaps you would take the time to explain to me why, when a crowd of adults eat, drink, and dance to the strains of ethnic music, it is a cultural activity, yet when young people seek to master the intricacies of mankind's culture, their nutrition is merely a commercial venture, subject to your petty whim. I await your response."

Will the Minister of Revenue, in lieu of the Treasurer, take this opportunity to respond to this woman by advising her that the taxing of schoolchildren's meals will not be part of the final draft of Bill 115? In addition, will he explain the policy-making process which took place in the minds of Treasurer and people in his own ministry that resulted in the situation described in the letter?

**Hon. Mr. Ashe:** Mr. Speaker, I am sure my colleague the Treasurer will be responding specifically to the woman in question, since the letter was directed to him from her. In terms of the policy issue raised, the Treasurer just addressed himself to that no more than 10 minutes ago in distinguishing between residential meals and extensions of the home on a permanent basis, five days a week, seven days a week, as the case may be, versus intermittent meals, where there is a choice involved. In the case of the latter, it is taxable and in the case of

the former, it is not, as being an extension of the home.

The other very important aspect the Treasurer already reiterated, and I want to further indicate, is that the whole process of the committee hearings in the next two weeks will not be nearly as positive as it should be if we try to close our minds and our eyes to the whole issue before the facts. As has been indicated on more than one occasion by both the Treasurer and me, interpretations are a normal process following a budget. That is why the regulations take some time to be prepared. I am sure we will be guided by many of the representations that come before the committee to evolve into the spirit of the legislation and into the regulations that will be forthcoming.

**Mr. T. P. Reid:** I wonder if, now that the Treasurer is back among us, I could direct my supplementary to him.

**Mr. Speaker:** Only on a redirection by the minister.

**Mr. T. P. Reid:** I will ask the Minister of Revenue if he would consider it then. I would direct everyone's attention to page 26 of the budget document, which sets out very plainly what the Treasurer's intentions were in taxing meals.

However, another group which will not be fully heard at the committee, a women's group, the committee of the York Women's Centre, in respect to the essentiality of items being taxed, has sent the Treasurer a telegram saying, "We ask that this sales tax be removed, i.e. on tampons, and that you write us explaining your justification for imposing such a tax."

Will the Minister of Revenue tell us, before the meeting—never mind his open mind on other items—that this tax will be removed because it is dealing with a very essential item and it is also sexist discrimination?

**Hon. Mr. Ashe:** Mr. Speaker, I do not agree with the conclusion drawn by the honourable member that it is a sexist discrimination in any event. It was never intended to be and, in fact, never was and still is not. If one looks back into the life of the retail sales tax, many of the same items we are talking about today have been taxed before at some point in the sales tax history of some 21 years. Exemptions were made over the years for various reasons and the Treasurer gave considerable notice of the fact that the whole sales tax base would be examined. It was very specifically identified in the



budget statement in 1981 and that review has led to some changes in this tax year.

I am sure the Treasurer, as I, will be going into the hearings with an open mind as to interpretation but the policy statement within the budget was very definitive and very clear.

**Mr. Cooke:** Mr. Speaker, since the Minister of Revenue said we should be going into the committee hearings with an open mind, I wonder if the minister would recommend to his House leader that the government also have an open mind and reschedule these hearings. We now have 15 groups in front of us for two hours in one evening, we have another day where we have 16 groups in front of the committee for two hours. How does the minister expect to have a reasonable set of hearings on a very important piece of legislation with so many groups in front of the committee? Why do we not have public hearings on this bill in the summer and report the bill back to the Legislature for third reading in the fall so we can have real democracy within the committee?

**Hon. Mr. Ashe:** Mr. Speaker, real democracy, in my view, includes respecting agreements that have been entered into by various parties. In this case, an agreement was struck among the three House leaders that I think was reasonable, was responsible and is being carried forward in that vein.

I think there will be ample opportunity to hear the various points of view to be put forth. The additional time being suggested by the honourable member would only end up with a very repetitive situation that would not be conducive to a proper hearing or change the points being made; they would just be repeated.

**Mr. Speaker:** A new question. The member for Hamilton West.

[Applause]

**Mr. T. P. Reid:** Are you going to give up your seat for Bob Rae?

### JOB CREATION

**Mr. Allen:** Mr. Speaker, as a newcomer to this House, I would like to say thank you to all the honourable members and to yourself for the generous welcome you have accorded me.

I have a question and a message for the Treasurer of this province. Quite simply, the message is this: People in Hamilton want jobs and they say it in angry and colourful language which is not appropriate to the dignity of this House. Is the Treasurer aware—he must be—that since the provincial election of March 1981,

unemployment in Hamilton has increased by 74 per cent? There are enough unemployed in our city to fill Ivor Wynne Stadium two times over. People in Hamilton are concerned about losing their homes and their jobs and concerned their children may not be able to find work.

**2:40 p.m.**

Is the Treasurer prepared to reassure the people in my riding who are saying, "It is getting really scary"? Is he prepared to assure them by announcing his intention to bring in a new budget that has job creation as its number one priority?

**Hon. F. S. Miller:** Mr. Speaker, I welcome our friend to the House. I am sure he will add a great deal to it. I might say from our side of the House that we are glad he is there and that his leader still has to find a seat to take from someone in the front benches.

Interjections.

**Hon. F. S. Miller:** He wandered a bit in his opening comments too. Let us have a day when we can still smile in this House. Okay?

Of course we are concerned about increases in unemployment. My budget did have as its major thrust the creation of jobs. In fact, the city of Hamilton was one area that was specifically targeted, because \$135 million of the tax we gave up this year basically went to the steel industry to help it reinvest and create jobs.

**Mr. Allen:** Apparently the Treasurer is not aware of the discrepancy between his words and the actual effect his budget is going to have on Hamilton and Hamilton West. Surely he is aware that as a result of his budget Hamilton families are being forced to pay an additional \$50 million this year at a time when Hamilton is losing over \$250 million because of increased unemployment.

Will the Treasurer not finally admit that his responsibility for job creation and his obligation to assist people necessitate bringing in a new budget that will redress the wrongs and shortcomings of the existing one?

**Hon. F. S. Miller:** Tonight, when we listen to the budget Mr. MacEachen brings forward, I hope that the honourable member will find that the small move Ontario had in its budget, wherein it refused to take the easy, political route, the route no one would have complained about at all, which would have simply paralleled the federal tax changes and picked up all that money, I hope he will find that gesture of ours where we refused to parallel what we felt were counterproductive moves at the federal level—

that those counterproductive moves will be reversed and that they have matched us, as they should do.

**Mr. Peterson:** Mr. Speaker, the question as I understand it was about job creation. The Treasurer has said that his budget was about job creation, even though evidence is coming in daily that his new sales tax measures will cost jobs. Will he now reconsider his budget in that light and eliminate some of the retail sales tax provisions that it will be proved to him are going to cost jobs right across this province, as in Crothers Ltd., for example?

**Hon. F. S. Miller:** Mr. Speaker, there are those who have theorized in the press that somehow I had no idea that in extending the sales tax base that I would irritate people. Let me assure you, Mr. Speaker—

**Mr. Peterson:** You took a poll.

**Hon. F. S. Miller:** No, even the polls would tell me that I should not do it, let me assure you. There are no polls telling me to broaden the sales tax base, and the Leader of the Opposition knows it.

Now, let me tell you this, Mr. Speaker—

**Mr. Peterson:** Of course you did. That's why you did it, just as you took a poll on Suncor.

**Hon. F. S. Miller:** You just be quiet, sit there like a good boy and listen to the answer.

Interjection.

**Mr. Speaker:** Order.

**Hon. F. S. Miller:** They are not on the margin, they are not beyond the margin; they are well within the margin and you know it.

On the one hand we picked up something like \$340 million in this tax year on sales tax changes; on the other hand we gave away \$385 million in corporate tax changes. There are no votes in giving away the \$385 million and there are a lot of losses on the \$340 million.

The fact remains that the only part of this economy that can create jobs in a meaningful way is the private sector. The member knows that; I know that. We had the courage to do something unpopular in the belief that it would create jobs.

#### DISQUALIFICATION OF VOTER

**Mr. Nixon:** Mr. Speaker, I have a question for the Attorney General. I gave him notice of this matter last week. Perhaps he could report to the House on the complaint made by Mr. Bruce Owen, an unsuccessful candidate in the riding of Simcoe Centre in the 1981 provincial elec-

tion, concerning the barring of Mrs. Frances Reid from the polls on the false allegation of misrepresentation at the advance polls.

**Hon. Mr. McMurtry:** Mr. Speaker, I do not know specifically the nature of the complaint other than that it was the view of the returning officer, according to the report I got, that Mrs. Reid had accompanied some people who were ineligible voters to an advance poll and for that reason the chief returning officer made a decision she was not to be allowed into any of the polling places during election day.

I have no information about the merit, the legitimacy and the foundation of that complaint against Mrs. Reid. As the honourable member knows, unfortunately the matter did not end there. There were allegations of threats which resulted in criminal charges and these charges, I gather, were disposed of recently.

The member was kind enough to alert me in advance of the question that there was some complaint in relation to this matter. At the moment it would appear there is the issue related to whether or not Mrs. Reid should have been prevented from entering any of the polling areas during election day. I gather some complaint in respect to that has been made to the election commission.

I do not know any of the details of that specific complaint. All I know is what happened in relation to the disposition of the criminal charges.

**Mr. Nixon:** The matter is rather complex and it did result in Mr. James Corneau, who was accused in the incident, being jailed. He informs us he has now spent \$8,000 on legal fees and when his case finally came before the court, it was thrown out completely.

Does the Attorney General, as our chief law officer, not feel some responsibility to look into this matter to see that justice is done and perhaps even to make some recommendations to the returning officer that he might issue an apology under these circumstances since they were so disruptive at the time and have continued to be disruptive during all the time the court case was pending?

Failing that, does the minister not think the matter should be brought to the attention of the successor to the privileges and elections committee, our standing committee on procedural affairs, so it might be dealt with at that level?

**Hon. Mr. McMurtry:** The member has quite properly stated that the matter is quite complex. There are a number of dimensions to it, both in



relation to the election procedures and in relation to the laying and disposition of the criminal charges.

In so far as the criminal charges are concerned, if the member has some information to the effect these charges were improperly laid, I would certainly invite him to have Mr. Corneau's lawyer communicate to me the nature of his concerns.

I will attempt to learn anything further I can about the matter and I am prepared to discuss it with him further. This has a lot of dimensions to it and I just do not know perhaps all I should at this time.

#### MINISTER'S SPEECH

**Mr. Grande:** Mr. Speaker, my question is for the Minister of Education. How does the minister justify using public funds to print and distribute political speeches? Does the minister not agree it is unbecoming for the minister to use public funds to attack political opponents? Will it now be a policy of her ministry that every time she addresses a meeting of a Progressive Conservative Party riding association, she will use taxpayers' money to pay for the dissemination of her political propaganda? In her answer, will the minister tell us how much this political propaganda costs Ontario?

**Hon. Miss Stephenson:** Mr. Speaker, in the first place it was not political propaganda; it was factual information related to a bill which was coming before the Legislature about which some concern had been expressed. There was also factual information related to another program which had been somewhat in the news.

It is not my intention ever to use any kind of forum for propagandizing. I was not doing that. I was simply attempting to provide the information which I believe all people should have in order to make appropriate judgements rather than being misled by some of the information which had been distributed by other sources.

2:50 p.m.

**Mr. Grande:** Since the Minister of Education now has decided to use the power of her office to attack local autonomy and place impossible constriction on collective bargaining in Metropolitan Toronto, why is she so surprised that people in Metropolitan Toronto are fighting back? Would she not agree that she should start playing fair? Will she admit that Bill 127 is a total disaster that will lower the quality of education in Metropolitan Toronto? Would she not withdraw it?

**Hon. Miss Stephenson:** Mr. Speaker, the answer to all of those questions posed in the latter part of the honourable member's propagandizing statement is a resounding no. That bill is a very sensible, logical piece of legislation drafted to support the principles and objectives of the Metro governance of schools, elementary and secondary, within this area. It does not decrease local autonomy; it increases it. The employees of the boards are still the employees of the boards.

There is no Metro bargaining, as the member likes to misinform people—

**Mr. Wildman:** Wait a minute.

**Hon. Miss Stephenson:** I guess I have to change that word—as the honourable member tells people, I think, quite inaccurately. It does, indeed, ensure that the taxpayers of Metropolitan Toronto will have greater accessibility and a greater degree of responsibility demonstrated by their elected members at the school board level than is currently possible.

**Mr. McClellan:** How much did this cost?

**Hon. Miss Stephenson:** I don't know; I will find out.

**Mr. Bradley:** Mr. Speaker, members of the opposition would agree that the Minister of Education should have the opportunity to reply to any charges that are made against her or should be able to put her case forward in terms of her seat as an individual member in this Legislature or of being a member of the Progressive Conservative Party. However, we in the opposition feel that the use of the Ministry of Education logo is inappropriate in that there were definite partisan viewpoints contained within that statement, even though the minister does not consider them to be partisan. In view of these facts, therefore, does the minister not feel that it would be wiser for her to use the stationery that she would have as an individual member of this Legislature or of the Progressive Conservative association when putting forward a speech which clearly has partisan aspects to it and which was delivered to a Progressive Conservative association within Metropolitan Toronto?

**Hon. Miss Stephenson:** Mr. Speaker, I have a little difficulty with the definition of partisan as expressed by the honourable member. It appears that whenever the opposition makes any statement anywhere it is nonpartisan and as soon as the government makes a statement it is partisan. I think that is an inappropriate definition of the word partisan.

If it is offensive to the members of the Legislature that the logo happens to appear on that piece of paper, I shall most certainly seriously consider removing it.

**Mr. Speaker:** The Minister of Community and Social Services has the answer to a previously asked question.

**Mr. McClellan:** We don't have the minister's money to do it.

Interjection.

**Hon. Miss Stephenson:** How do you know I didn't?

**Mr. Martel:** I suspect you didn't.

**Hon. Miss Stephenson:** No, I did not.

**Ms. Copps:** We don't have the minister's budget.

**Hon. Mr. Drea:** She's back; she's back; she's alive.

**Mr. Speaker:** Order, order.

**Hon. Mr. Walker:** She must have gone into exile.

**Hon. Mr. Drea:** No, she was not in exile; she has been hiding.

**Mr. McClellan:** Mr. Speaker, on a point of privilege. The minister called across the floor that she has paid for it herself.

**Hon. Miss Stephenson:** No, I did not.

**Mr. Mackenzie:** You said, "How do you know I haven't?"

**Mr. Speaker:** Order, that is no privilege.

**Mr. T. P. Reid:** Mr. Speaker, I rise on a point of order because I think I should draw this to your attention at the most available opportunity.

#### PUBLIC OPINION POLLS

**Mr. T. P. Reid:** The Treasurer (Mr. F. S. Miller), in response to a question about 10 minutes ago, said in the House that he had no polls that indicated he should have extended the sales tax to items or services currently untaxed and that he should have raised it from seven to eight per cent.

Mr. Speaker, you may recall, about three weeks ago in the House, I raised with the Treasurer the fact that a Goldfarb poll, taken in 1980 for the Ministry of Treasury and Economics, asked among other things—this is a question on page 238 of the report, which was rather extensive and expensive. The question was asked of 794 people, "Should the government raise sales tax from seven per cent to eight per cent?" The response in the affirmative was 39.3

per cent. The next question was, "Should the government leave sales tax at seven per cent, but extend it to items or services currently untaxed?" The response there, of the total, was 53.2 per cent.

On occasion, I have talked about the government being run by public opinion polls. This time, they have been hoisted on their own petard, but I suggest most strongly that the Treasurer has misled the House, because the information is clear and in my hand.

**Mr. Speaker:** Interesting as that may be, it is not a point of order. I have no way of knowing any of that information and obviously it is a matter you should raise with the Treasurer at the appropriate time. The Minister of Community and Social Services.

**Hon. Mr. Drea:** Mr. Speaker, on Friday—

**Mr. Peterson:** Point of order.

**Mr. McClellan:** The member said very clearly the Treasurer had misled the House.

**Mr. Speaker:** Order. There was not a point of order. Order.

Interjection.

**Mr. Speaker:** Yes, I heard that. I am not sure whether the point he is going to raise is valid or not. I would have to look at Hansard.

**Mr. Martel:** I suggest you do.

**Mr. Speaker:** I will. The Minister for Community and Social Services.

**Hon. Mr. Drea:** Mr. Speaker, on Friday the member from Scarborough West—

**Mr. Speaker:** Order. The honourable Leader of the Opposition on a point of order.

**Mr. Peterson:** Now that the Treasurer is here, he has a chance to withdraw, from my recollection both of his statement and of the information that is already part of the record of this House, what was blatantly wrong in the circumstances.

**Mr. Speaker:** As I have already pointed out—

**Mr. Peterson:** Mr. Speaker, I think you should accord the Treasurer the opportunity to get up and say he made a mistake.

**Mr. Breithaupt:** He may choose to correct the record.

**Mr. T. P. Reid:** Maybe he would like to get up and set the record straight.

**Mr. Speaker:** Order. It is not for me to make a judgement. If the Treasurer wishes to rise on a point of privilege, he may do so.

Interjections.

**Hon. F. S. Miller:** Are you asking me?



**Mr. Speaker:** No, I am not asking you. It was an allegation made by the member for Rainy River (Mr. T. P. Reid) on a point of order. If you want to rise on a point of privilege, you may do so.

**Hon. F. S. Miller:** Mr. Speaker, I have not heard the points raised by either party, except I understand that there are allegations about a poll. I understand the poll they refer to is a 1980 poll. This is 1982.

**Mr. Breithaupt:** You said there were no polls.

**Mr. T. P. Reid:** It was for your 1981 budget.

**Mr. Speaker:** Order. We have already disposed of that matter. I shall take the matter under consideration.

### CHILDREN'S DETENTION CENTRES

**Hon. Mr. Drea:** Mr. Speaker, on Friday the member for Scarborough West (Mr. R. F. Johnston) made allegations, in particular that it is becoming a regular occasion that juveniles, especially native children, have been placed in adult lockups in various communities around the Patricia district. Furthermore, he went on to say, apparently on information from the Ontario Provincial Police, that in Pickle Lake 12 kids per year were put into the adult lockup; in Sioux Lookout, over 20 kids per year were put into the adult lockup; and in Red Lake, they would not even hazard a guess as to how many there were.

For the record, from the Ontario Provincial Police: Sioux Lookout, January 1982 to the present, six females, aged 14 to 15 years, were held overnight; all were drunk and unsuitable for any other care. In each case the verbal consent of a judge was obtained and a female matron was present at all times. In the same period, approximately 10 to 12 children were diverted to foster homes. I should point out that many observation and detention homes in other areas of the province can and do refuse juveniles who are extremely drunk.

3 p.m.

Red Lake—this is the one where the Ontario Provincial Police cannot hazard a guess—three runaways, aged 10 to 14, from Winnipeg turned themselves in to the police. Ear Falls, January 1982 to present, no juveniles. Pickle Lake—where there were supposed to have been 12—January 1982 to present, one boy aged 14 held because of a warrant that he was a runaway from a group home in eastern Ontario, and a warrant to apprehend. Ignace, January 1982 to present, one juvenile on bail, aged 14, picked up on request of probation officer for breaches of

probation. Dryden, January 1982 to present, two juveniles, one male and one female, both aged 15. The male was a passenger in a stolen car driven by an adult. After six hours of investigation he was released. The female was a runaway and detained on the request of the Winnipeg city police. She was turned over to the children's aid society to be returned to Winnipeg.

That is far from the numbers that were given on Friday.

Having set the record straight, and from the OPP whose lockups those are, it is a matter of record that for more than a year we have been working to try to obtain observation and detention services in this district. As a matter of fact, there is a line item in my budget where the money is available if we can find the appropriate people to provide us with these services.

I am relatively confident that by the end of this year we will have an observation and detention service in Red Lake, Sioux Lookout and Pickle Lake. I am not quite so optimistic about Sandy Lake but we will certainly have a service there by next year.

The method by which we will do it—because obviously these are not very heavily populated centres for juveniles—is to take a 365-day-a-year retainer on a bed and, in addition—

**Mr. Ruston:** Time.

**Hon. Mr. Drea:** Oh, no, the member had a good day on Friday. He can now listen to me.

**Mr. Mackenzie:** It is not a very good response either.

**Hon. Mr. Drea:** I think it is a magnificent response.

Each one of these single beds will cost approximately \$12,000 per year, including the transportation. I would trust that sets the record straight about the holding of juveniles in the Patricia district.

**Mr. McClellan:** Since this matter was raised initially in 1975-76, if not before—I was elected in 1975—and the promises were made in 1975 and 1976 that observation and detention facilities would be built in northern Ontario communities as quickly as humanly possible so that native children would not have to be incarcerated in the jails, why has it taken the ministry six years and the minister still does not have the facilities in place?

**Hon. Mr. Drea:** The problem is it is very difficult to negotiate—

**Mr. Martel:** All he ever did was make statements.

**Hon. Mr. Drea:** What?

**Mr. Speaker:** Never mind the interjections.

**Hon. Mr. Drea:** Does the member mean yo-yo or me?

**Mr. Martel:** You.

**Mr. Martel:** There are some yo-yos over there as well.

**Hon. Mr. Drea:** The ministry has for a number of years been attempting to negotiate and find people who will operate these services. It is a very difficult service to develop as an ancillary to the semi-secure facilities in Thunder Bay and in Kenora. Great progress has been made in the last year.

I want to tell the members something else. It may take a long time to get those facilities in certain places. The members know why.

#### DISPOSAL OF PCBs

**Mr. Elston:** Mr. Speaker, I have a question of the Minister of the Environment about the destruction of polychlorinated biphenyls in the province. Can the minister advise this House how soon the test program using the Department of National Defence diesel unit will be implemented and where the testing will be carried out?

**Hon. Mr. Norton:** Mr. Speaker, as the honourable member is probably aware, this is a joint effort between the Ontario and federal governments. I cannot give him a precise date. All I can say is that I hope it will be rather soon and that I do not know the site at which it might take place. A number of options are being looked at. A number of municipalities are aware of this fact; in some cases we have had discussions with them and in other cases we will be having discussions with them.

As I understand it it may take some time, because I think the intention is that a mobile version of the unit is to be constructed for testing purposes, and I do not believe that has been done yet.

**Mr. Elston:** I understand that the testing program calls for 1,000 hours of operation and will require approximately 18,000 gallons of PCBs. Taking that into consideration, and knowing there are not that many large reservoirs of PCBs in the province, can the minister advise us whether or not the site at Smithville is one of the areas being considered; and how soon will people know when this testing will commence?

**Hon. Mr. Norton:** To the best of my knowledge, no particular area has been excluded from consideration at this point. As to timing, again I really cannot say. I hope the matter can be expedited. I can assure the member we would be glad to hear from any community that is willing.

I might say that in view of the available supply of PCBs in use at the present time, not in storage, there are a number of communities, including my own, that would meet the criteria.

#### INTEREST RATES

**Mr. Cooke:** Mr. Speaker, I have a question for the Treasurer. I am sure he will recall that one year ago his position was that nothing could be done by the federal government about interest rates. Six months ago he changed his position and said interest rates should be lowered; he confirmed this four weeks ago. Approximately a week ago he indicated that the major thrust in the federal budget tonight should be to take action to build the confidence of the business community in our country and he was not sure anything could be done about interest rates.

What is the position of the Ontario government on the interest rate problem in our country and province right now? What is he recommending to Mr. MacEachen?

**Hon. F. S. Miller:** Mr. Speaker, the first ministers met back in January and at that point most suggested that Canada should encourage lower interest rates. The opinion that we could suddenly legislate lower interest rates to some predetermined level like 15 per cent, I think, got widely about. This is not the case, because most of us realize we cannot simply unilaterally set rates without taking other steps, such as controlling the flow of money, to ensure that the rate is constant within our country.

But if we look at the events of the last six months we can see that we have not necessarily followed the United States trends at all times, that the US either stayed level or went down and we stayed level or went up at the same time. We diverged rather than came together.

If we look behind that to see why we diverged, we find we still have a run of Canadian money out of the country. The run of Canadian money touches the point I just mentioned, confidence in government. Money runs out of a country when people do not have confidence in the central government; it comes back in when they do have confidence. The more money runs out, the more the price drops, the more the interest



rate has to be raised. Therefore, lack of confidence in the federal government's fiscal and monetary policies has quite directly caused an increase in Canadian interest rates.

3:10 p.m.

**Mr. Cooke:** While the Treasurer's major concern for tonight's budget is the confidence of the business community, what about the confidence of the unemployed and the home owners in this province who are losing their homes and their jobs because of high interest rates?

Will he talk with the Premier (Mr. Davis) about taking a recommendation to Mr. Trudeau on Wednesday that the position of the Ontario government is that Mr. Bouey should be instructed to lower interest rates, and if he is not prepared to do that he should be fired and replaced?

**Hon. F. S. Miller:** If I have been quoted as saying it is the confidence of the business community, that certainly would not be wrong, but I must also point out I have never said exclusively the business community. In fact, I have gone on to point out the lack of confidence in the whole economy is greater with the consumers than anywhere else.

That consumer has little reason for confidence if he or she is unemployed, but in addition many people who are employed have not been making the normal purchases their present savings level or income level would justify because they do not feel confident in the future. That is also one of the problems the federal government must address.

## PETITION

### TAX BURDEN

**Mr. Van Horne:** Mr. Speaker, I have a petition presented on behalf of some very concerned citizens from the riding of London North. They are petitioning the Lieutenant Governor and the members of the Legislative Assembly because of their concern with the burden of new taxes on the taxpayer.

## ORDERS OF THE DAY

### MUNICIPALITY OF METROPOLITAN TORONTO AMENDMENT ACT

(continued)

Resuming the adjourned debate on the motion for second reading of Bill 127, An Act to amend the Municipality of Metropolitan Toronto Act.

**Mr. Sweeney:** Mr. Speaker, Bill 127, as most members are now aware, is intended to require

joint negotiations of all the various teaching bodies and all of the school boards across Metro Toronto. I was just in the process of winding up last Thursday evening when the plug was pulled and the time was called.

Interjection.

**Mr. Sweeney:** I will not comment on some of the people who spoke before me. We will leave that to the history pages of Hansard.

When I opened my remarks about 10 o'clock last Thursday, I asked a basic question. The minister will remember it was why is she doing it. We had gone over some of the reasons we thought she should not be doing it and we have to keep coming back to the question: what is in the minister's mind? What is the purpose behind all this? Is there something more to it than what is contained in this piece of legislation?

We cannot help sensing there must be more behind it than this. For example, we have the strong feeling that somewhere down the line—and we are not sure how far away, whether it is months or years—the whole question of a single board in Metropolitan Toronto is something that has to be taken into consideration.

If we are going to have a single tax base and single negotiations all across Metro, if we are going to have a decision as to how many teachers there may be, which indirectly pretty well decides how classes are going to be arranged and what kinds of programs can be offered, if all of those things are going to happen all across Metro, we have to keep coming back and asking what is going to be done at the local board level. There is not really a lot left of real significance.

How long that turn of events is going to take, we do not know. We speak in terms of what is left of real significance. One of the questions we have to keep asking ourselves at this point is about the special needs of the various segments of the Metro educational scene.

The minister is as well aware as I am of the very special needs that are going to come from Bill 82. The minister is as aware as I am that the appropriate educational programs will be as different as the children are all across Metro.

The needs in the Jane-Finch area of North York, the needs in the downtown core of Toronto, the needs in the far reaches of suburban Scarborough or Etobicoke, are not going to be the same. Yet the amount of money that is going to be levied, the kinds of salaries that are going to be negotiated, the numbers of teachers that are going to be available, are going to have a common element all across Metro.

Therefore, we have to ask ourselves again, is

it really going to be genuinely possible under this legislation to meet the individual needs of students in the various parts of Metro? Some needs will be greater than others and some will be very different. That to us is an important and key problem.

We have also asked ourselves about the whole question of financing. On Thursday night, I spoke about the deterioration of the provincial share of financing from 1975 to 1982, from 61.3 per cent across the province, on average, to 51.3 per cent; or a 10 per cent drop representing a figure of something like \$534 million which would have flowed to the various school boards in Ontario had the 1975 figure been kept. Even if it had been kept at the 60 per cent to which the government had committed itself, we would still be fairly close to something like \$500 million, which is an awful lot of money.

When we look at what is behind this we have to ask ourselves, where does the dollar figure come in? Where does the relationship between the province, the ministry and the local school boards come in? To what extent is this action being taken now as one of the ways in which the provincial government is getting off the hook with respect to its financial obligations to education in Ontario and, in this particular case, to education in the Metro area?

Finally, we have to ask ourselves another question that comes up from time to time and which has never been finally resolved one way or the other; it sort of sits on the back burner and comes forward every once in a while. That is the whole question of province-wide bargaining. We know that at least one of our sister provinces already has province-wide bargaining.

I am sure the minister would be one of the first to say it does not work particularly well in that other jurisdiction and is not the sort of thing we would want here. But the minister would not be surprised if people, looking at what is happening in Metro and looking at the past history of what happens in Metro as eventually being translated to the rest of the province—consolidated school boards and various forms of regional government, for example—would not find it difficult to perceive that this could be a first step to province-wide bargaining.

I honestly do not know where the government, the ministry and this minister are heading with this legislation. We have been told on numerous occasions that it is not going to mean a really significant or fundamental change in the

Metro area, that things are going to go on pretty much as they were before and children are still going to get a pretty good quality of education. We have been told that. We have been told it is not going to have any relationship to the rest of the province. Yet as we look at the implications of this legislation we cannot help but believe there is much more to this than we are seeing on the surface.

We are concerned about the whole question of autonomy of local boards. We are concerned about the whole question of financing of education not just in Metro but across the province. We are concerned about the eventual expansion of what is happening here in Metro to the other parts of the province. We are concerned about the fact that students' needs, individual needs, appropriate needs and very different needs with respect to the requirements of Bill 82, are not going to be met as well under this legislation.

Therefore, we want to state very clearly at this time—maybe the hearings in the fall will bring some new ideas, some new principles, new thoughts to light; at this point it is difficult for us to imagine that but we will wait and see—we are opposed to this legislation. My colleague the member for St. Catharines (Mr. Bradley) has clearly indicated in many more specific ways why we are opposed to it.

**3:20 p.m.**

We shall wait until the fall. I hope over the next couple of months the minister will take the opportunity to weigh carefully the potential implications of this legislation. I hope she will take the opportunity to read once again the remarks of the Education critics of both opposition parties and the remarks of the teachers' federations, the Toronto school board and other concerned trustees in other parts of the province, as to the implication of this legislation.

I suspect this is another one of those pieces of legislation that have much more far-reaching implications than even the minister herself had thought to be the case. It is most appropriate that we are going to have this lull of approximately two months before we take this piece of legislation to committee, before we have people from across the province, particularly across Metro Toronto, coming in and speaking to the significance of this legislation.

It will give the minister an opportunity to weigh a little bit more carefully just exactly what we are getting into.



**Hon. Miss Stephenson:** It will give you an opportunity too.

**Mr. Sweeney:** It will give us an opportunity as well, certainly; it is a two-way street. On the surface, at this point, no matter how we look into this legislation, no matter how we look into the implications of it, no matter how we look at the increasing complexity this legislation is going to bring to the negotiation process in Metro Toronto, a complexity and a potential area of ill will and of litigation that we certainly do not need, we have to ask ourselves why.

We have suggested some of the answers. Truly, only the minister herself and her government know for sure what the why is.

**Ms. Bryden:** Mr. Speaker, I rise to speak with outrage against Bill 127, for I regard it as one of the most iniquitous pieces of legislation which has been brought before this House. In my opinion, it is the naked use of provincial legislative power to aid and abet a power grab by the Metropolitan Toronto School Board.

The minister may say that a majority of the members of the Metropolitan Toronto School Board asked for this legislation, but we must remember that those who voted for it represented area municipalities which would benefit financially from the changes in the funding formula for dealing with commercial and industrial assessment. In most cases, people like to vote for improvements in the financial position of their own board.

For the city of Toronto, whose representatives mainly voted against it, there will be a loss in the resources that they have for education because of the change in the funding formula, in the apportionment formula and the recognition of the commercial and industrial assessment.

Bill 127 is a blatant example of this government's use of its legislative power to make local bodies simply administrative arms of upper-tier governments and to remove control from the people affected. It is an example of the government's obsession with bigness and uniformity. This obsession has been reflected in its regional government developments as well.

Uniformity without modifications can lead to mediocrity and reduce everyone to the lowest common denominator. That is not the kind of regional government we want, where everybody is put into a cookie-cutter mould and is required to observe the same pattern regardless of local conditions. That kind of uniformity is the enemy of the diversity and the flexibility which are necessary to meet local needs.

Bill 127 is completely unacceptable for a

number of reasons. In the first place, it is a bill which will destroy local autonomy for all of the area boards of education in Metropolitan Toronto, not just for the city of Toronto. The major decisions regarding the number and allocation of teachers, the pay and benefits of teachers, capital funding and meeting the problems of declining enrolment will all be made by the upper-tier Metropolitan Toronto School Board. Local boards will be left with responsibilities for delivering quality education in their area but will have no power to meet those responsibilities.

Secondly, Bill 127 is unacceptable because it is a bill which will destroy the opportunity for parents, teachers, students and the residents of Metropolitan Toronto to have input in the kind of education system they will have in their area. It will take away from them the opportunity to shape their own local school system and to adjust it to suit local conditions and needs.

They lose this opportunity because the decisions about "the methods by which the number of teachers to be employed by a board is determined" will be given to the upper-tier board. This power can be interpreted to cover everything from the number of teachers to allocation of teachers, decisions about which new curriculum initiatives will be followed and will be staffed, and the whole question of which schools will be supplied with teachers to continue to operate.

In the past, parents and other persons in the community in the Toronto system have had considerable input on staffing and allocation. It has given them a very definite say in the nature of the educational services delivered by their local school. They have also had a significant say in curriculum development. But if all the major financial decisions are made by the non-elected upper-tier board, parents and local residents will operate with very little power.

Citizen participation in decision-making is the touchstone of democracy. Without it, the people become more and more alienated from their government and from their elected representatives. This government has been steadily eroding this basic democratic right of citizens to be heard, consulted and to have some influence over the decision-making process. This government has been eroding their rights with regard to their environment by exempting from environmental assessment more and more projects. In most cases, citizens no longer have a say in where hydro corridors will go. They have no say in where many highways will go. They

have little say over where provincial parks will be developed and natural resources exploited. They have little say over the location of waste disposal sites. In fact, this government has been eroding public participation on a steadily increasing basis.

**Hon. Miss Stephenson:** What absolute balderdash.

**Mr. McClellan:** You wrote the book on it, you should know. Send out some more information bulletins, Bette, on the ministry letterhead. Don't worry about the cost.

**Hon. Miss Stephenson:** It is not on ministry letterhead.

**Ms. Bryden:** By Bill 127, it is now eroding public participation in the most vital part of their lives; namely, the educational system of their children.

**3:30 p.m.**

Bill 127 is unacceptable for a third reason, which is that it will destroy the accountability of local school boards to the people who elect them. All the key decisions will be made by a small group of about 20 trustees, who are indirectly elected to the Metropolitan Toronto School Board by the area boards. These trustees are not answerable to the general electorate and not even to the board that chose them. They vote as they please and do not necessarily follow the instructions of the board that chooses them.

They are accountable to no one, as far as I can see, once they are elected. Any accountability they may have is to their area board and to the electorate that sent them to the area board but not to the citizens of Metropolitan Toronto as a whole, and yet they are making decisions that affect those citizens as a whole.

We have to recognize that under the setup of the Metropolitan Toronto School Board, only a certain number of trustees from the area board go to the upper-tier board. With a ward system, it means certain wards do not have any representation on the upper board; other wards do have representatives but they are not chosen by them for their positions on the board.

Bill 127 is completely unacceptable for a fourth and very important reason. In my opinion, it will destroy a collective bargaining system for teachers that is working. It will substitute a straitjacket for the present collective bargaining system, which is flexible and has succeeded in producing successful settlements without strikes in most years. It will probably produce many tensions that are not there now

and may result in more unsettled disputes and more problems in reconciling differences.

The procedure set forth in Bill 127 is completely unacceptable because it denies employees the basic democratic right to bargain with their own employer. It removes that opportunity and says they can bargain only with a remote and nonaccountable board on very rigid rules.

In the past, at the elementary level we have had 16 branch affiliates bargaining collectively with their area boards and in many cases co-operatively with all the boards together.

**Hon. Miss Stephenson:** Did it reduce local autonomy to bargain jointly?

**Ms. Bryden:** Yes, because it is done by choice.

**Hon. Miss Stephenson:** I really can't see the logic in that argument.

**Mr. Grande:** You rarely understand, anyway.

**Ms. Bryden:** We have 16 branch affiliates at the elementary level and eight at the secondary level. By giving them the flexibility, there are places where bargaining jointly is advisable, useful and will speed up matters, and the opportunity has been used in the past in most cases. However, in the present bill this flexibility will be removed and all the affiliates will have to bargain in one unit without the opportunity of flexibility.

In her speech to the St. David Progressive Conservative Association, which was so kindly printed by the ministry to be sent out for her, the minister kept trying to argue that the bulk of contract matters are still left to local bargaining. She said boards will be able to bargain on uniquely local matters that relate to working conditions.

In the first place, any matter that a particular board wants to add to the general contract signed with the Metropolitan Toronto School Board cannot be added unless all the area boards and the Metropolitan board agree to that particular condition. Any one board has a veto over any request by one of the area boards to have a condition added to the contract. That is the way I read the law. It seems quite clear that it says any addition to the areas that are prescribed in Bill 127 for bargaining by the upper tier must be agreed to by all the area boards and by the Metropolitan Toronto School Board.

**Hon. Miss Stephenson:** But that is not what you said earlier.



**Ms. Bryden:** That is what I said; so there is a veto.

**Hon. Miss Stephenson:** You said any item.

**Mr. Grande:** Why don't you just listen?

**Hon. Miss Stephenson:** I am listening. If I were not, I would not comment.

**Ms. Bryden:** With regard to which areas, if any, are left to the local boards, and that is still very unclear, the minister in her speech, instead of talking about the bulk of contract matters, was now using the new phrase "the thick part" of any contract and saying that is taken up with local issues. I do not think we measure contract terms by weight or by how many pages they occupy, it is the importance of the contract condition. It appears, from reading the legislation, that very little of importance will be left to the local boards for bargaining.

In the same speech last week the Minister of Education also said the bill would distribute resources so as "to provide all young people in Metropolitan Toronto with equal access and opportunity in education." In my opinion, this bill will do just the opposite.

Bill 127 will destroy the opportunity for any of the six area municipalities to provide adjustments in the system to meet the need for equal access. It will deny them the opportunity to compensate for disadvantages suffered by various kinds of students, such as immigrant students, students with learning disabilities and students who need enriched classes. These children will not have equal access and opportunity in education if the financial resources are not provided for the boards that have disproportionate numbers of these kinds of students with problems, in instances where adjustments are needed.

For example, inner-city children require smaller classes and specialized services. Certainly there are more of them in the inner city of Toronto. So under this straitjacket and the increase in apportionment that will be coming out of the commercial and industrial assessment for the city of Toronto, there will be fewer funds available to the Toronto Board of Education for meeting those local needs. There will be less opportunity for democratic choice by each community and its school board to meet local needs.

**3:40 p.m.**

I am not speaking only about the city of Toronto. What I am saying is that the city of Toronto has some problems that are disproportionate to the problems in the other areas, and

they need funding that is not reduced, particularly in this time of restraint and cutbacks. It is very unfair to change the funding formula at this time if one is going to provide equal access and opportunity in education in the city of Toronto with respect to the other areas.

Another area where Bill 127 will restrict equality of opportunity and access is the clamp on the number of teachers who may be hired through passing this power to the upper tier. It means that if the city of Toronto decides smaller classes are an essential part of providing the additional services needed for its special programs to give equality of opportunity to its diversity of pupils, then it will not be able to hire the extra teachers who are needed.

I think we have been fortunate that in the past few years many of the teachers who were made available as a result of declining enrolment have been kept by the city of Toronto to provide the diversity of service that was needed to look after its special problem areas.

It seems to me it is more sensible to make it possible for those teachers to be used for those special needs than to simply say, "You cannot have them, or if you have them you are only allowed to charge a minimum mill rate over and above the regular mill rate applicable across the board in order to hire them."

I think a school board should be allowed to tax its residents above the minimum level if the residents are willing to pay the tax. They do have the opportunity—in the past it has been every two years, and it will now be every three years—to say they do not approve.

We know that when the city of Toronto decided to keep some of its teachers a couple of years ago when it had a surplus from declining enrolment, there were large numbers of people who came down to the school board and said, "We are willing for you to keep these teachers, even if it does cost us somewhat more in taxes."

The minister was going to cut down the amount she would allow a school board to charge over and above the standard mill rate by one third. This would have been another blow at the city of Toronto's opportunity to look after declining enrolment by a more imaginative approach than simply firing teachers and closing schools.

She has backed off on that proposal, but I think that this is simply a divide-and-rule proposition and that she is trying to buy off parents by saying, "We will go back to the status quo ante."

That is not good enough. It is not the status quo ante. There is going to be a very serious

restriction on the use of that extra local levy for additional teachers or additional special programs, because any deficits that occur will be charged against that extra levy.

I do not object to school boards paying deficits out of their own levies if they run into them, but I do not think it should be part of the special levy that has been in effect and has been used for hiring additional teachers to meet special local needs. It should not be part of the 1.5 mills to look after deficits. If we are going to have any opportunity for school boards to hire additional teachers, we are going to have to remove the handling of deficits by that method.

In her speech, the minister made a comment that the city of Toronto had run up deficits in the past two years which the other boards had to pick up because some of them had surpluses, but she seemed to have forgotten that over the many years of metropolitan government in Toronto, the city of Toronto provided far more of the capital funding that went to build the new schools in the suburbs and was itself starved of capital funds for renewal and renovation during those years in the 1950s and 1960s when new schools were burgeoning in the suburban areas.

The shoe has been on the other foot at times, with Toronto contributing more to the other boards. Perhaps in the past year or two the other boards have been contributing more to Toronto because it has more problems of inner-city children, single-parent children and immigrant children. We all have to share in seeing there is equal educational opportunity for all those children.

I understand from this morning's paper that the minister has said she is also going to look at the question of deficits in the September hearings, but she has not made any commitment or any proposal as to how the deficits could be handled in a different way so as not to take away from the power or opportunity of area school boards to hire additional teachers.

It has been pointed out that as long as she has that deficit requirement in there, it means a school board might decide it needed to hire 20, 30 or 50 additional teachers and then, when the figures seemed to show a deficit was looming as can happen in these days of recession and cutbacks, the teachers would have to be fired before they had really started doing the jobs they were hired to do.

That is an area where we want a definite proposal from the minister as to how she is going to change it. Simply to say it will be discussed in the September hearings is not satisfactory.

I am pleased we are going to have September hearings but, as the members know, it was a battle to convince the minister the September hearings were the only appropriate time rather than July hearings, which appeared to be what she was suggesting after she had agreed to any hearings at all.

**Hon. Miss Stephenson:** I suggested a split, but you would not agree to that.

**Ms. Bryden:** July hearings would not give the parents and the people who are concerned about Bill 127 an opportunity to prepare for them, and a great many of them are scattered on vacation. Hearings in July simply would have been a mockery of the democratic process.

We have succeeded at least in getting the minister to agree to this amount of public input, but the real crunch will be whether she listens to any of the arguments as to why Bill 127 is a bad bill and whether she will kill Bill 127 and start all over again with a bill that will provide true equality of educational opportunity in the Metropolitan Toronto area.

3:50 p.m.

**Mr. Ruprecht:** Kill the bill.

**Ms. Bryden:** When one has a very bad bill, it seems to me that is the only thing to do with it.

Why does this government talk about local autonomy and put in more and more centralization policies such as in Bill 127? Why does this government fear local diversity and local planning? Why does this government oppose tailoring programs to local needs and favour a cookie-cutter approach? Why does this government reject democratic control over educational decisions?

The only answer that I can find is that the government is trying to assist the Metropolitan Toronto School Board in a power play so that it will have complete control over the educational system in the Metropolitan Toronto area. I may be wrong, but the motivations of the ministry itself seem to be to reduce the pressures for additional grants or for additional programs—

**Hon. Miss Stephenson:** As usual, you are entirely wrong.

**Mr. Grande:** You are not wrong at all.

**Ms. Bryden:** —which ultimately will have to come out of the minister's budget.

Parents, teachers and students have indicated to us they are prepared to pay for quality education. Taxpayers generally are prepared to pay for quality education. What they are saying is: "Your priorities are all wrong. Education



does deserve more funds if one is to look after all these special problems."

As yet, we have not seen how much money will be made available to put Bill 82 into effect and to provide the kind of education that every child is entitled to under that bill. This kind of legislation seems to be an attempt by the ministry to cut down the opportunity for school boards to provide the kind of programs that are needed and to put them into a straitjacket which will reduce them all to the lowest common denominator.

There is one other area in which I think this bill is a real threat to local autonomy and to decision-making by local people. That is the area of possible school closings. The local school has been a very important part of our institutions since the days of the one-room school which was set up in the early years of our history in the 1800s. It became not just a school but a community focus. The schools that have developed from it, at both the elementary and secondary levels, are far more than just an educational plant; they are a neighbourhood focus.

With declining enrolment, they could become a much greater neighbourhood resource than they are. They could become places for day care, adult education and seniors' programs. They could become the lighted school at night for all kinds of self-improvement programs and for community meetings. There are many uses to which these school buildings could be put rather than simply closing them and shutting off a neighbourhood resource.

Bill 127 will remove the opportunity for parents to develop alternative uses in schools where there is declining enrolment, because they will not have the funds or the opportunity to raise money to explore those alternatives. Instead, they will be faced with a decision from the board higher up that no staff will be provided for schools below a certain size or that the staff will be cut down so small it no longer will be a properly diversified school offering art programs and music programs as well as the other things a school should offer.

In this case we have to consider that bigness is not everything and that the local school and its presence in the community and its role in the community must be considered. I think Bill 127 is completely antithetical to the development of that kind of approach to the problems of declining school enrolments.

This bill has rather correctly been described as a Trojan horse. It is brought in, not as what it

really is but is disguised, in the minister's words, as an improvement in educational equality and opportunity. When we look into the horse we find it is not what it seems to be. It is really a shift in power from the local school board to the Metropolitan Toronto School Board.

We have to also look at it as a possible pilot project for similar shifts in other areas, and in particular for the shift in the collective bargaining procedure from a local school board basis to a regional basis. Even though the minister says this is not a pilot project, we have no real assurance that it will not be considered a pilot project for putting collective bargaining in a straitjacket on a regional basis, particularly in view of the kites that were being flown about amendments to Bill 100.

**Hon. Miss Stephenson:** Bill 100 amendments will be here in the fall.

**Mr. Wildman:** You mean you are going to do that in the fall?

**Hon. Miss Stephenson:** There are some amendments to Bill 100.

**Mr. Grande:** On a point of order, Mr. Speaker: Throughout the comments of the member for Beaches-Woodbine the minister has been keeping up a running commentary, as it is called. If the minister wants to stand up and make a statement with the view to saying this destructive bill will be withdrawn, I think the minister is in order at any time after the member sits down to get up and make that speech. If not, I feel strongly that the Minister of Education should be listening carefully to the criticism of this destructive legislation. She will have her opportunity at the end of the debate to sum up.

**The Deputy Speaker:** Thank you for your point of order. Of course, the Speaker has no jurisdiction to command the minister necessarily to listen.

Furthermore, I point out to the member for Oakwood and to all honourable members that in all cases the Speaker has always ruled that running commentaries are not in order. Certainly, interjections are usually regulated with diligence by the Speaker, and in this case I have been listening very closely to the minister—

**Mr. Grande:** She has been carrying on a running commentary.

**The Deputy Speaker:** No. She has made interjections but it has not been a running commentary.

**Ms. Bryden:** I was just going to sum up. Bill 127 should be withdrawn because it is so com-

pletely unacceptable and because it is attempting to do exactly the opposite of what it purports to do. I think it is a matter of misrepresentation as to what Bill 127 is designed to do. That is the reason we really think the public hearings will demonstrate to the minister that the bill is not fair, that it is an abuse of legislative power by this government to shift power and financial control away from the people who are affected most by the decisions. This kind of legislation is undemocratic and will destroy the opportunity for people to shape their own school systems.

**4 p.m.**

**Mr. Ruprecht:** I had assumed that we would have another speaker from the other side, Mr. Speaker.

**The Deputy Speaker:** Well, I might have been a little quick to acknowledge you.

**Mr. Ruprecht:** Mr. Speaker, at the outset let me say that the captain at the helm of our ship of education is steering us on to the rocks of destruction, and she is doing it in the middle of the day, not even in the fog or in the black of night.

On Friday, May 28, the Minister of Education introduced changes in the Municipality of Metropolitan Toronto Act, 1982, that would seriously affect the provision of services needed to meet local educational needs and would curtail local board autonomy. The legislation would require joint bargaining for all teachers throughout Metro and would significantly reduce the number of elementary school teachers the board could employ in its schools.

The proposed changes would seriously reduce the quality and equitable availability of education programs in Toronto elementary schools and could require such moves as: (1) increasing regular school size; (2) closing neighbourhood schools; (3) eliminating the educational staff allocation provided in schools with French immersion programs; (4) reducing the availability of English as a second language for people who need this kind of help; (5) closing all-day kindergarten programs in the most inner-city schools; and (6) moving the common starting point for core French from grade 4 to grade 5 or grade 6.

All six local boards would be forced to negotiate jointly with the Metropolitan Toronto School Board. This would mean the loss of local school board autonomy and of direct accountability to the local ratepayer as well as the loss of a local board's ability to respond effectively to the needs of local schools.

I would like to run very briefly down a list of people who are against this bill. I for one do not understand how the Minister of Education could introduce such a bill; even though I must admit that in some sense I admire her occasionally when she has her eyes wide open and knows what she is doing, but not in this specific instance.

I would ask the minister, if she is listening, how she can possibly introduce a bill of this nature when the sentiment that has been established and now comes to Toronto from all over Ontario has been so overwhelmingly against the provisions of Bill 127?

For example, I know there are some other honourable members here who come from the west end of Toronto and they are well informed of the public mood in this city. Let me assure the minister that certainly the Area West Parent Association is totally and unequivocally opposed to this legislation. The Toronto Teachers' Federation and the Ontario Teachers' Federation are totally opposed—I am sure the minister realizes this—to these provisions of Bill 127.

I ask the minister whether she could find just one teacher in the whole of the city of Toronto who would support her in this strange persistence of hers on Bill 127?

**Hon. Miss Stephenson:** Yes, more than one.

**Mr. Ruprecht:** I would very much like to see those kinds of people. I have not received one telephone call from any of the teachers in Toronto who are supporting the minister in pushing this legislation. On the other hand, to be quite open about this, I have received hundreds of calls from teachers who are totally opposed to this legislation, never mind the parents who are very upset about this bill.

**Hon. Miss Stephenson:** Because they have been misled.

**Mr. Ruprecht:** I would like to see the teachers who are supporting this Bill 127. Where are these teachers? The minister says she has some. Does she have them hidden underneath a carpet? Does she have them hidden in some closet that she will suddenly spring open and say, "Here, I have found one"—a person who must be blind and not know what he or she is talking about?

**Hon. Miss Stephenson:** Why, so you can attack them and report them to the Ontario Teachers' Federation and the Ontario Secondary School Teachers' Federation?

**Mr. Ruprecht:** Find me some of those teachers. I would like to see those teachers and I



would like to see from where the minister has dragged them out, from what hidden closet or hidden under what carpet that she can suddenly sweep them out. I would like to see that. I would be over to meet with them at any time. I have not received one telephone call from such a teacher.

The minister says she has some teachers. She should show them to us. Where are they? Where are these teachers? Where are those teachers in the city of Toronto?

**Mr. McClellan:** They are on the Rosedale Tory executive.

**Hon. Miss Stephenson:** No, they are in Toronto.

**Mr. Ruprecht:** We are not talking about teachers in Thunder Bay or teachers she would have to fly in from Timmins, Atikokan or from as far away as Hudson Bay. She may have to fly them down to show them to us. She will not find them here.

**Hon. Miss Stephenson:** They are in Toronto, I assure you.

**Mr. Ruprecht:** They are in Toronto? Why can she not produce them? Where are they? Where do they speak from? What schools do they belong to?

The minister and I both know that teachers are not an intimidated lot. Those teachers would stand behind the minister if they believed in her. I have not seen them stand behind her. I have not heard them speak. I will tell her whom I have heard speak in her support.

When the minister so courageously took a stand and walked into the middle of the Ontario Teachers' Federation meeting, which I admired, the people I saw standing behind her were not the teachers. They were all on the other side. She knows as well as I do that it is a fact that they were all on the other side. They were facing her. They were showing their signs and their frustration. They were against her at that specific meeting, and I mean all of them who were there.

There was not one person who spoke up and said: "Yea, Bette Stephenson, you are doing a good job. We are in favour of it." There was not one person in the hall or in the street, not one person that I could lay my eyes on, who was in favour. If the minister has one, or as many as she says, she should bring them out of the closet and let them see the light of day. I will guarantee that when they come out they will have their eyes opened and would vote against Bill 127 if they could be heard.

**Hon. Miss Stephenson:** Without a doubt, you are the biggest bag of wind—

**Mr. Ruprecht:** The biggest bag of wind? That is a nice thing for you to say.

I would like to see the minister stand up and defend those policies again. She may have done that already, but let her show me those teachers who support her in the city of Toronto. I would like to see that. Maybe she can come up with names by September but I do not think she can find them.

Interjection.

**Mr. Ruprecht:** No. To set the record straight, the honourable member is not for Bill 127.

I had intended to speak on that so I might as well broach that now. Among those who are against Bill 127, we also find people who are in the government back row.

**Hon. Miss Stephenson:** Who?

**Mr. Ruprecht:** We have proof here. She knows that. Why is she asking me?

4:10 p.m.

**Hon. Miss Stephenson:** Who?

**Mr. Ruprecht:** The minister knows who. It is not only one person in the back row. There must be at least half a dozen in the back row. I will give her one example.

**Hon. Miss Stephenson:** Really?

**Mr. Bradley:** Susan Fish.

**Mr. Ruprecht:** The honourable member on this side mentioned the member for St. George (Ms. Fish). I do not know for sure about the member for St. George.

Interjection.

**Mr. McClellan:** It's all down in black and white.

**Mr. Ruprecht:** No, we do not only have it as the minister says, although listen to the honourable member or members on this bill, because the minister wants her own way. Let me inform her because she does not seem to be informed on this issue.

**Hon. Miss Stephenson:** It's not "my way."

**Mr. Ruprecht:** It would be excusable if she were not informed on this particular issue. With the kind of opposition she is getting, I could excuse that, but if she is telling me she does not even know the members in the inner sanctum of her own party who are against this specific bill, I think there is something missing here. Does she know what is missing? What is missing is some concern and some openness and some sensitivity to the people of Toronto and, for that matter, for her own back-benchers. That is a very sad commentary.

If the minister wants some backup on this, we have it in writing. I would think this article I have can be trusted. I will read this in case she does not believe me. It says that the member for High Park-Swansea (Mr. Shymko) also said he talked to the Minister of Health (Mr. Grossman), MPP for the Toronto riding of St. Andrew-St. Patrick, and here is the quote. Is the minister ready for this? This may be a big surprise to her.

"I tell you, Larry Grossman is on my side 100 per cent."

Does the minister believe that? Oh, suddenly nothing happens over there.

**Hon. Miss Stephenson:** Oh, if you believed that, there is some swamp land I'd be happy to sell you.

**Mr. Ruprecht:** Does the minister say this is not true? Is that what I heard her say?

**Mr. McClellan:** Get up and deny it.

**The Acting Speaker (Mr. Cousens):** The honourable member is making a presentation.

**Mr. Ruprecht:** I am making my presentation.

**The Acting Speaker:** The back-and-forth dialogue you are requesting is not really part of the debate process.

**Mr. Ruprecht:** I am not asking for a back-and-forth dialogue, I am simply addressing myself to some of the comments that are coming from the Minister of Education.

**The Acting Speaker:** In that case, as long as you did not expect the minister to respond at this point—

**Mr. Ruprecht:** No, I was quite happy if she occasionally interjected. That is okay with me. I think that is her right and that is fine.

But the minister is suddenly so quiet over there. I find it very surprising. Let me continue.

**Hon. Miss Stephenson:** I am trying to restrain myself from your idiocy, that's all.

**Mr. Ruprecht:** Let me just quote from another idiocy, since the minister does not believe the statements in the Toronto Star on the Metro page. If she said that is an idiocy, she does not believe her own back-benchers or, in fact, her own front benchers. The Minister of Health is basically quoted in this article as saying he is against her on Bill 127. Does she call that an idiocy?

**Hon. Miss Stephenson:** No. You have not read it, because he did not say that.

**Mr. Ruprecht:** She is not calling that an idiocy. Thank you very much. Let me read

another piece of paper, namely a letter by an honourable member on the back benches—

**Mr. Wildman:** On a point of order: Just to set the record straight, I understand the minister is saying the Minister of Health is not the idiot, but the member for High Park-Swansea is.

**The Acting Speaker:** That is not a point of order.

**Mr. Ruprecht:** Mr. Speaker, this is what I had understood as well.

**The Acting Speaker:** The member for Parkdale has the floor and I wish he would speak to the issue.

**Mr. Ruprecht:** I think there may be some more honourable members right in this hallowed chamber who may have understood the same thing. If we could ask them, they would probably agree on it.

**Mr. McClellan:** Ask the Speaker to rule who the idiot is.

**Mr. Ruprecht:** Mr. Speaker, I will not ask you to rule on who that person is. But, very briefly, let me set the record straight so the honourable minister will understand full well what is at stake here. I am not standing here talking for the sake of talking, but to inform her of the facts concerning some of her own people in the party, in the government.

If the minister does not believe the Toronto Star, if she thinks they are a bunch of idiots, let me assure her that I have an authenticated document, a letter written to the Howard School Association, at 30 Marmaduke Street in Toronto, dated February 8. I would like to hear the minister's response to this second document I am presenting.

This letter is written to Sandra Field, president of the Howard Home and School Association by the member for High Park-Swansea. I have mentioned this before so this is nothing new to that member; it is a matter of record. I admire the honourable member and the Minister of Health for standing up against this bill because they are from Toronto. The Toronto members in the cabinet will know what the facts are and will be against this bill. Certainly, they have put it in writing. They are quoted in the paper. I think they would have the guts and the internal fortitude to oppose this bill because we think it is wrong and it ought to be killed. There is no doubt about it.

**Mr. Bradley:** Susan Fish.

**Mr. Ruprecht:** I am not sure about the member for St. George. I have no record of her



stand but, if the member for St. Catharines (Mr. Bradley) says that, then it is probably true.

**Mr. Wildman:** If Larry Grossman is against it, so is she.

**The Acting Speaker:** Order.

**Mr. Ruprecht:** Did the member say if the Minister of Health is against it so is the member for St. George? That is three people already and there may be even more. We may find up to five people. I will delay no longer. For the minister's information, so she will no longer call her own members crazy—

**Hon. Miss Stephenson:** No, that's you. You are the only one who qualifies.

**Mr. Ruprecht:** Here is the proof so that we no longer have any attempt on the minister's behalf to whitewash this issue or other members' points of view. As long as they agree with her, she would probably say, "That's great." The minister knows this bill was written in the night and she probably got up on the wrong side of bed in the morning.

**Hon. Miss Stephenson:** I never get up on the wrong side, not ever.

**Mr. Ruprecht:** Which side does the minister get out on, the left side?

**Hon. Miss Stephenson:** Always the right side.

**Mr. Ruprecht:** I am sorry I asked that question.

**The Acting Speaker:** You really are diverting from the bill we are trying to debate.

**Mr. Ruprecht:** I am not varying at all. All we are saying is when this was written, something must have happened to the minister because basically everybody in Toronto opposes it.

I was about to tell the minister what is in this letter and I will not be long about it. There are just two paragraphs. It is longer, but I will spare the House the rest. I will only read the important section of this letter. As I said before, it is written to the Howard Home and School Association by the member for High Park-Swansea, and if he thinks there is something wrong with this letter I hope he will let me know.

He says, "I personally share your view that the present system of separate negotiations with the individual boards and its teachers should remain existing"—

**Mr. Grande:** Listen to common sense.

**Mr. Bradley:** I agree with Yuri.

**Mr. Ruprecht:** The member for High Park-Swansea has common sense. It continues, "...

and I expressed this opinion in a recent meeting with ward 1 trustee, Mr. Doug Little."

The final paragraph says, "However, I can assure you that I will continue to voice my concerns, which coincide with those of your organization on this very important issue."

**4:20 p.m.**

**Mr. Speaker,** I for one have no doubt that the member for High Park-Swansea will indeed voice his opinion when the time comes.

**Mr. Wildman:** When is that?

**Mr. Bradley:** Right now.

**Mr. Ruprecht:** Why do I say that? I say that for a very simple reason. Up until this point the honourable member could not have voiced his concern with the minister, because she says she was not even aware who in her front and back benches is against Bill 127. Consequently, I would think that in the future we on this side of the House will look forward to the day when the Conservative back and front benches will speak to the minister about these provisions; and I hope that after speaking to them, since she is not expecting or accepting any opinion but her own, she will then see the light and change these provisions of Bill 127.

In the context of my discussion I would like to continue and tell members that the trustees in the city of Toronto are united against Bill 127.

**Hon. Miss Stephenson:** No.

**Mr. Ruprecht:** I hear another word from the minister, who says this is not the case, either. Well, she has said no to every sentence I have uttered up until now, so why should she say yes at this particular point?

As I said earlier, if she says, no, I would simply ask her to produce those trustees or teachers in the city of Toronto, whom I am sure she will find in some backroom dustbin, who will stand with her on Bill 127 on the day of reckoning.

**Mr. Bradley:** From the Toronto Board of Education.

**Mr. Ruprecht:** Of course from Toronto. But we hear nothing from the minister; suddenly, she is not saying anything, and my words fall on deaf ears.

The parent-teacher associations from most schools I went to in Parkdale are totally opposed; in fact, they are very frustrated and upset. I must tell the minister this because she may not know it. They have signed a petition, which I will show her, especially in September when this bill comes up. It looks something like this. She will

see thousands of these petitions signed. It has the minister's name on it.

The petition basically reads: "We, the undersigned, strongly urge the Minister of Education to support the present teacher-board negotiation process, and we urge that the minister should oppose the provisions of Bill 127." That is basic; there is more in it, but the minister will see thousands of these signatures when the time comes.

What concerns us here is that teachers from right across Ontario have called. They have called my office and I am informed they have called the offices of other honourable members to fight against these provisions. They are not only concerned about what happens in Toronto; they are also very much concerned that the experience in Toronto is going to be a testing ground of what might happen in other school boards and other regions.

The minister has also heard that this is an example of a fish-bowl exercise, that the minister is testing the waters to see whether she can get away with these provisions of Bill 127 in Toronto. The fear and great concern is that if these provisions are passed here without any big problems, they may then be implemented in other centres of Ontario. I think we know this could possibly be the case.

**Hon. Miss Stephenson:** But won't.

**Mr. Ruprecht:** The minister says, "But won't." She has said that before, but we are not totally sure that the minister will not impose these regulations on other school boards after she gets away with it in the city of Toronto.

**Hon. Miss Stephenson:** I will not.

**Mr. Ruprecht:** She would not. She says she would not. Then why does she impose her will on the citizens who are taxpayers in the city of Toronto? She knows what the struggle is and what the frustrations are, and what the teachers and all of the other people are against. Why does she impose it, if this is truly—

**Mr. Philip:** We are all against the bill back here.

**Mr. Ruprecht:** There is another back-bencher.

**Hon. Miss Stephenson:** We don't need that back-bencher. He should go back over to his own side.

**Mr. Ruprecht:** Mr. Speaker, I said earlier that it is very important the minister said she is not going to impose these provisions on other

school boards. She has given us that assurance, and again I am not totally opposed to her—

**An hon. member:** Why not?

**Mr. Ruprecht:** Because she sometimes does the right thing. She is doing the right thing right now by saying that she is not going to impose them anywhere else except in Toronto.

The question remains, then, why does she pick on this school board? Does she, like the Minister of Revenue (Mr. Ashe), want to punish them?

**Hon. Miss Stephenson:** The five other boards want it.

**Mr. Ruprecht:** I listened to her when she was speaking in front of the Ontario Teachers' Federation, and I listened to every one of the people who were up on the platform. Did she have one person who was with her? No. Then why does she want to take on the Ontario Teacher's Federation and get all of the teachers personally upset with her? Why does she do that?

**Hon. Miss Stephenson:** Do you worry about my safety or something?

**Mr. Ruprecht:** Well, I will tell her one thing, since she is raising the point—

**The Acting Speaker (Mr. Runciman):** Order.

**Mr. Ruprecht:** Since the minister is raising the point of her safety, was she afraid to be walking into that meeting? Somebody else was. Somebody was afraid for her safety; does she know that? If they were not, why did she bring in those lackeys?

**Hon. Miss Stephenson:** I didn't bring any lackeys.

**The Acting Speaker:** Let us address the bill, please.

**Mr. Ruprecht:** Why did the minister—

**Hon. Miss Stephenson:** Do you want that repeated?

**Mr. Ruprecht:** Yes, I can repeat that.

**Hon. Miss Stephenson:** Would you like your friends on other school boards to be told that you call them lackeys?

**Mr. Ruprecht:** I did not call her friends on the school board lackeys. No, she has some other lackeys. But since we are on the question that she thinks I meant the lackeys on the school board—that is very interesting. Does she think of them as her lackeys, too?

**Hon. Miss Stephenson:** No, I do not.

**Mr. Ruprecht:** Oh, she does not. Very interesting. I will tell her who else was afraid for her



safety. The police who were there, who were brought in very quickly, were afraid. I must tell her that I, too, shed one little tear on her behalf when she walked into that meeting; I, too, was afraid of what might have happened to her. But no, no; stubborn, totally stubborn.

**Hon. Miss Stephenson:** Mr. Speaker, on a point of privilege: The difficulty is that I find it very hard to accept that any member of this House would suggest a group of professionals in this province, namely the teachers—

**Mr. McClellan:** Well, why did you need a police escort?

**Hon. Miss Stephenson:** —would in any way suggest that the safety of the Minister of Education might be in danger at any kind of meeting. Those people are above and beyond that kind of position and attitude.

**Mr. Ruprecht:** Mr. Speaker, this is very interesting. Does it mean that whatever meeting the minister goes to she brings along five or six police escorts? Is that what she is saying? If that is the case, she must feel threatened a great deal wherever she goes today. We are not suggesting there would have been violence, but she is suggesting she is not safe.

**Hon. Miss Stephenson:** Mr. Speaker, on a point of privilege again: I don't know how this man's logic works, but that is not what I was suggesting. I did not, in fact, know that there would be policemen there until I arrived at the Holiday Inn. They were there; they insisted on assuming this role. I never object to what policemen tell me I have to do as a law-abiding citizen, but I had no thought for my safety when I went there because I believe teachers are professionals; they are not violent people.

4:30 p.m.

**Mr. Bradley:** On a point of privilege, Mr. Speaker: The minister did not inform the House that, first of all, the police did not appear on the scene until she arrived. I am not saying she brought them—

**Hon. Miss Stephenson:** I did not.

**Mr. Bradley:** I agree with her that she was never in any danger with that particular group, though they may be adamantly opposed.

What was most annoying was the fact that the New Democratic Party critic and I both had to go downstairs to address a group and when we tried to get back upstairs they would not let us anywhere near the place. They stood there and would not let us past. We explained we were the critics and were on the stage with the minister

and so on, but they were not prepared to let us by.

**Hon. Miss Stephenson:** It had nothing to do with me.

**Mr. Bradley:** It is a good thing we used uncharacteristic devious means—the member for Oakwood (Mr. Grande) via the elevator and me by a back staircase—so that we were able to get upstairs. The fact was the Metropolitan Toronto police were preventing two members of the Legislature from addressing a public meeting, and that was of great concern to us.

The minister said she had nothing to do with it and I am prepared to accept her word on that.

**The Acting Speaker:** I hope we have that cleared up. Now can we get back to the bill, please?

**Hon. Miss Stephenson:** It was not until after those two spoke. As a matter of fact they spoke first, before I did. So they shouldn't complain about not being allowed to speak.

**Mr. Ruprecht:** Mr. Speaker, this is very interesting. I did not know that our own members were not able to get in on the meeting.

**Mr. Grande:** On that point of privilege, Mr. Speaker: I, like the member for St. Catharines—

**The Acting Speaker (Mr. Cousens):** What is the point of privilege?

**Mr. Grande:** The point of privilege is that on Thursday of last week, while on behalf of the New Democratic Party I was down at the Holiday Inn to perform the duty—

**The Acting Speaker:** I am sorry. I want you to explain the point of privilege. Then I will tell you if I am going to allow it to stand.

**Mr. Grande:** Mr. Speaker, with due respect, I am trying to give you the point of privilege.

**Mr. Philip:** It was the point of privilege allowed by the other Speaker. There was a point of privilege on the floor.

**The Acting Speaker:** Order. I want to hear this point of privilege, but get to the point.

**Mr. Grande:** The Minister of Education stood in her place and said her point of privilege was that she was not escorted by policemen at the meeting at the Holiday Inn the other night when the Ontario Teachers' Federation and other teachers across Metro Toronto—

**Hon. Miss Stephenson:** It was not at my request.

**Mr. Grande:** That is right. Therefore, I am getting up on that point of privilege of the minister to have a point of privilege of my own,

if I may, which is that in that same meeting to which the Minister of Education refers I was prevented from doing my duty as the Education critic for the New Democratic Party—

**The Acting Speaker:** We are in the House, the Ontario Legislature. That is not a point of privilege as it affects the operation and procedures of the House or your personal privileges here.

Does any other member wish to participate in this debate?

**Mr. Ruprecht:** I am not yet finished.

**The Acting Speaker:** Please proceed. We are on the motion for second reading of Bill 127, An Act to amend the Municipality of Metropolitan Toronto Act.

**Mr. Philip:** Mr. Speaker, on a point of order: If my colleague's point of privilege is out of order and it was based on a previously recognized point of privilege by the minister, then are you ruling that the point of privilege granted by the previous Speaker is out of order? Is that your position?

**The Acting Speaker:** No. I am just saying that from where I sat it was not an acceptable point of privilege.

**Mr. Ruprecht:** Mr. Speaker, earlier we heard something about a lack of understanding and logic in my discussion. I want to indicate simply and briefly in my remarks that it is obvious when a Minister of Education goes to different meetings and when she is accompanied to one meeting by a police escort and she brought along local Metropolitan Toronto trustees—whom, I want to make the record very clear, I did not indicate were lackeys, I did not say the Metropolitan Toronto School Board trustees were lackeys.

**The Acting Speaker:** I would ask the member to speak to the bill.

**Mr. Ruprecht:** It is to the bill, Mr. Speaker.

**The Acting Speaker:** Then speak to it.

**Mr. Ruprecht:** That is precisely the point of my remarks. That is the first point of my remarks since I stood here. My second point is that it is very logical that people would assume her safety was at stake if the police decide to walk into that meeting.

**The Acting Speaker:** The member is not referring to the bill. I would draw his attention to the bill at hand, which is Bill 127. Please speak to it.

**Mr. Ruprecht:** Yes, Mr. Speaker, of course. I do not know why you are being so tough in your

rulings, especially with the points of order that were raised. But we have to take it in stride since you, as a member of the government side—

**The Acting Speaker:** I would beware of that kind of referral. I am trying to be fair to all sides. I am asking the member to speak to the bill and not to draw any inferences to any other factor. I want to see this process continue in the right way. I am asking the member to speak to Bill 127.

**Mr. Ruprecht:** Are you saying the minister can get up on a point of privilege and make her remarks and no one else is permitted, according to your ruling, to say anything about her remarks?

**The Acting Speaker:** What you are saying should refer to Bill 127. Refer to that and I will be pleased to listen.

**Mr. Ruprecht:** Okay, Mr. Speaker, since we have all this straightened out about the logic, about the safety and the police escort and so on, let me get to my next point.

The next point is that if the Minister of Education gets her way, the Metropolitan Toronto School Board would be given the power to negotiate the previous issues I have mentioned with the teachers as a single bargaining unit, and the local school boards would be left out of the picture.

**Hon. Miss Stephenson:** Not true.

**Mr. Ruprecht:** It is true, and this probably is one of the central points of the arguments that were raised in every one of the members' rebuttals to this particular legislation. I mean every one. The minister assures us this is not the case. That is great.

She says this bill will not destroy local autonomy. That is very interesting. I thought I did not hear correctly when I heard that. What will it do? It will impose a ruling on the local school boards. That ruling has been made at another level altogether. If the minister does not think this is restricting and restrictive of the local autonomy and of the local board then I do not know what is. She is right that I do not understand her logic. Maybe I never will.

But that point surely has to be clear: when decisions are being made by one level of government and superimposed on another level of government, that certainly must be a restriction in terms of local autonomy. If it is not, then I do not understand it. I do not even understand the argument and logic of the minister.

Combined with its control over local school board budgets, which the Metropolitan Toronto School Board now has, these new powers would



effectively turn the the Metro board into the sole governing body of education in Metro Toronto.

**Hon. Miss Stephenson:** No.

**Mr. Ruprecht:** If the minister says no and she does not believe what I have to say, then let me assure her again that I am not the only person who thinks that. There are literally thousands of teachers, the school boards, the Toronto Star and other newspapers that are totally in agreement with my remarks. The minister says no. That can only indicate that whatever she has done in terms of explaining this bill was not done properly. There is a real lack of trying to be sensitive to the community and trying to impart to the rest of Toronto what this bill is about.

**4:40 p.m.**

Maybe the minister is right. Maybe I and a lot of other honourable members simply do not understand the intentions of this bill. If we do not understand the intentions of this bill and if everyone is upset for nothing, then why does she not simply do us a favour and withdraw and kill Bill 127? Nobody seems to understand it, and when I listen to some of the minister's comments I doubt very much that she herself understands the bill. It is very strange.

Further, this bill undoubtedly would have serious implications. Let us look at some of them. Conditions across a municipality the size of Metro Toronto are not all the same. Everyone would agree with that. For example, the needs of the Etobicoke school board may be for additional special education teachers, while the Scarborough board's needs may be for more intensive English language classes; but with one all-encompassing bargaining unit dealing with six boards there is the danger that individual needs will not always be taken into account. That could only weaken the quality of the educational system.

Another troublesome aspect of this bill concerns the right of local school boards to raise additional funds for their own special projects. At the moment they are allowed to do this by levying an extra 1.5 mills over and above the regular school tax for elementary schools and one extra mill for secondary schools. Bill 127 would standardize the levy at one mill for both elementary and secondary schools. On the surface this may not seem a large amount, but in Toronto it would translate into a loss of approximately \$1.5 million.

This legislation is ill-conceived since what it

does, basically, is destroy the autonomy of the local school boards. I say this being fully aware that the minister will argue against this fact.

To sum up my remarks, the officials in the Education ministry claim—I have phoned some of them personally and that is why I am not saying it is the minister who so claims—that the basic intent of Bill 127 is to streamline Metro's education bureaucracy to make bargaining easier, and—here is the next biggie—to rationalize school costs across the Metro area.

Streamlining and rationalizing; think about that: to rationalize and to streamline at what cost? At the cost of getting everyone in Toronto upset: every teacher, every local trustee, every parent-teacher organization, the Ontario Teachers' Federation and other organizations, including the Organization of Parents of Black Children. Every major organization in the educational field across Ontario comes out strongly against Bill 127; and this minister and her officials are moving towards the curtailment of educational opportunities for our children in Toronto, because that is what the end result of this bill will be.

The major reason for my objections is that what is happening here is basically for bureaucratic ends and for bureaucratic means. For reasons of the bureaucracy, this minister stands against every major educational group in the city of Toronto and right across this province for purposes of rationalizing and speeding up the process in the city of Toronto.

**Hon. Miss Stephenson:** You are absolutely, totally and unequivocally wrong.

**Mr. Ruprecht:** If this is wrong, and we have every member speak on this issue, then why does this minister not have the courage now that she has shown so ably in the past to say that bureaucracy and big government are not going to control the people of Metropolitan Toronto, that the local school boards will control them, that there will be access to education through the local trustees and, furthermore, there will be some remnant of control left? By whom? By the parents of the children who are going to school, some remnant of control should be left to them.

Why does the minister not show her courage at this point and admit that streamlining and rationalizing are not the reasons this bill has been introduced, that the reasons are for bureaucratic means and for the bureaucracy. Bureaucratic rationalizing should not be the means and should not be the rule of why this bill should be introduced. It should be left to some local autonomy. That seems to be the basic reason

that comes out of the Ministry of Education and that reason is totally wrong.

For those reasons, is the minister making the children in the education system of Toronto suffer for her streamlining and rationalizing? Those are not the right reasons. Those should never be the right reasons for a sensitive government. If those are the reasons, and the minister said they are, then let me point the finger and say—

**Hon. Miss Stephenson:** Do not point your finger at me.

**Mr. Ruprecht:** —that this captain of our educational ship is taking us to destruction in terms of educational policy. I do not need to point my finger. The facts will remain the same.

I am sure, Mr. Speaker, that in your own riding you must have had some people call up and say, "Withdraw Bill 127." I think there is enough opposition out there in the whole province that everyone has received some phone calls opposed to the bill.

Interjections.

**The Acting Speaker:** Order. You are being very provocative.

**Hon. Mr. Sterling:** I had two and they didn't tell me why.

**Mr. Ruprecht:** Is the member telling me he has never received any phone calls? Is he saying that? He has never received any phone calls?

**Hon. Mr. Sterling:** No. I have had two people talk to me about it and they didn't tell me why they were objecting. any phone calls?

**Hon. Mr. Sterling:** No. I have had two people talk to me about it and they didn't tell me why they were objecting.

**The Acting Speaker:** Order. Will the member for Parkdale please proceed with his presentation?

**Mr. Ruprecht:** I am wrapping up right now. The basic point which really concerns me very much is that the Minister of Education, who should work hand-in-hand in a co-operative fashion with the school board, with the trustees, with the people of Toronto, does the exact opposite.

Why is that? The reasons are even more disturbing. It is not only because she may want her own will imposed, but because, as I said before, of reasons that are of a bureaucratic nature. That is why this party is totally against Bill 127; it shows lack of sensitivity.

The minister is walking out right now because

she knows she cannot take it any more. For once she knows what is at stake here.

**Hon. Miss Stephenson:** I'm just going to make a telephone call.

**Hon. Mr. Norton:** Don't get personal

**Mr. Ruprecht:** What is at stake is that the bureaucracy is going to rule this government. It is the bureaucracy that is doing it.

**Hon. Mr. Norton:** Come on, while she is out of the room.

**Mr. Ruprecht:** I am not saying that may happen in his department. I have not checked that out, but in this specific case with this specific minister, it is very clear who rules what.

**Hon. Mr. Norton:** That is right.

4:50 p.m.

**Mr. Ruprecht:** There you are, Mr. Speaker. You just heard what the Minister of the Environment (Mr. Norton) said. He admitted that the bureaucracy is ruling this government. I was witness to it and I heard it. We heard it and that is what is going to take this government and dig it into its grave, because the bureaucracy was never intended to rule. The bureaucracy should be but one function and one aspect and those people should listen to what the minister says, not the opposite way around.

If that is taking place, that the bureaucracy is taking charge and controlling the government, then I say it is time for change and I think the people of Ontario will know it is time for change. Just try one more election and they will find out where the residents and the citizens in not only Toronto but in other places will vote. They will vote against them just as they will vote against Bill 127. This bill has to be killed.

Finally, let me simply say—without being interrupted by the Minister of the Environment, who has already admitted that the bureaucracy is in control, because the minister cannot be in control—

**Hon. Mr. Norton:** Get back on track.

**Mr. Ruprecht:** I am getting back on track. I would say if the Minister of the Environment, representing the Minister of Education—which he has indicated at this point—says to this House that indeed the bureaucracy is in charge and the minister is not in charge, then let us have a look at his own department and let us see who is in charge in his own department.

**Hon. Mr. Norton:** Mr. Speaker, on a matter of personal privilege: I would not accuse the honourable member of misleading the House or



the public in Ontario, but I must say he is grossly distorting the facts.

I indicated to him, and I think the Speaker heard what I said quite clearly, that the Minister of Education was not a bureaucratic individual, that she was in control of her ministry. Other members of this cabinet are in the same situation. The bureaucracy does not rule and the member is deliberately distorting what I said.

**Mr. Ruprecht:** Did you hear that, Mr. Speaker? Did you not hear what he said?

**The Acting Speaker:** Is this a point of order or a point of privilege?

**Mr. Di Santo:** On the same point of order, Mr. Speaker: I think it is quite unfair for the minister to accuse the member for Parkdale of distorting—

**Mr. Wildman:** Grossly distorting.

**Mr. Di Santo:** —grossly distorting, because if the member said that—

**The Acting Speaker:** The minister did not make an accusation. He gave a warning to that effect, but he did not accuse.

**Mr. Di Santo:** Mr. Speaker, the only thing I want to say is if that was the perception that the member for Parkdale projected to us, I want to say he never expresses his opinions without having consulted the constituents. Even if that is not his personal conviction, for sure he really feels that information from the constituents that—

**The Acting Speaker:** That is not a point of order. It might be a good point, but it is not a point of order.

The Minister of the Environment, what is your point?

**Hon. Mr. Norton:** Just pursuant to the earlier point—

**The Acting Speaker:** No, no; order, order. Points of view do not count. The member for Parkdale has the floor and his point of view is what counts.

The member for Oakwood seems to be standing in his place. Is this a point of order, a point of privilege or a point of view?

**Mr. Grande:** Mr. Speaker, it is a point of order. I do believe that the Minister of the Environment did say that somebody in this Legislature distorted the facts. I understand that word should be withdrawn from the record.

**The Acting Speaker:** No, I did not hear the Minister of the Environment declare that. In case there is some doubt, which there obviously is in the mind of the member for Oakwood,

perhaps the minister could clarify and remove any doubt he has cast any aspersions.

**Hon. Mr. Norton:** Mr. Speaker, in case anyone might have misunderstood and been offended by what they thought they heard me say, I would perhaps state it more or less innocuously this way. Simply, the member for Parkdale has failed to demonstrate either an understanding of what it is he is saying or what it is he hears others say.

**The Acting Speaker:** I trust the member for Oakwood accepts that. I ask the member for Parkdale to please speak to the issue. We are now in the process of debating Bill 127.

**Mr. Ruprecht:** I rise on a point of personal privilege—

**The Acting Speaker:** You have the floor so you have the full privileges of the House.

**Mr. Ruprecht:** I am sure the record will show—you can check Hansard—that when I said the Minister of Education had let the boat of education drift on to the rocks, or something to that effect, and that the bureaucracy was in charge of that ministry, I distinctly heard the Minister of the Environment say yes. I heard that and I am sure some honourable members heard that as well. That is why—

**The Acting Speaker:** Will the honourable member return to the bill?

**Mr. Ruprecht:** Yes, I will, in one second. That is why I said to him that if he thinks the Minister of Education let the ship drift and the bureaucracy take over, then we should have a look at his department. That is all I said.

**The Acting Speaker:** I would ask the honourable member to please—

**Hon. Mr. Norton:** Mr. Speaker, could I just say that is not factually correct. What the honourable member heard me say, when he made that scurrilous allegation about the Minister of Education, was: "That is not true. She is the least bureaucratic minister in the government." That was not to imply that any of us are bureaucratic.

**The Acting Speaker:** Thank you. We are reviewing a bill, and the member for Parkdale has the floor on Bill 127. That is why you have the floor.

**Mr. Ruprecht:** Let me continue then, and I will put this into context while I am speaking here.

Basically, what has happened is simply this. My constituents and the teachers of Ontario, through the Ontario Teachers' Federation, the

trustees and a lot of other people have heard, either through the grapevine—although everything is denied now by the government—or through the ministry, or even through my own discussions with Ministry of Education personnel, that one of the basic reasons Bill 127 was introduced is to streamline Metro's educational bureaucracy. Furthermore, it is to rationalize school costs across the Metro area. That is the basic reason people are reacting to it.

If the basic reason this decision was made was to have the bureaucracy or the streamlining process get into better shape, that was the wrong reason to run a board of education. That is not denied by the Minister of the Environment or by the Minister of Education. I say, somewhere and somehow, somebody must have got to the minister and said, "Listen, we need to streamline this process." The question was not, "How much money do you need to serve the people of Toronto?" The question was, "How do you streamline the process?" If that is the question, and that is very central here, if we want to streamline the educational bureaucracy and if we want to rationalize this system, that is a very cold statement for the minister to make.

**Hon. Miss Stephenson:** I have never made it.

**Mr. Ruprecht:** The minister says she never made it. Then let me ask one simple question. I am trying to understand—I mean this in all sincerity—why it is that every person out there thinks one reason she is introducing this bill is because she wants to streamline and rationalize?

**Hon. Miss Stephenson:** That's what you were telling them, and I suppose they might listen to you at their peril.

**Mr. Ruprecht:** Why is it that the Ontario Teachers' Federation has that idea? Why is it that her own ministry staff told me that personally on the telephone?

**Hon. Miss Stephenson:** No, they did not. I know to whom you spoke and they did not say that.

**Mr. Ruprecht:** They did not, she says. If they did not, why is it that the Toronto Star has the same impression? Its editorial board checks things out. Does the minister not think so? Does it not have its facts straight?

**The Acting Speaker:** The honourable member is leading the minister into the position where she feels she has to respond in the middle of your speech.

**Mr. Ruprecht:** Who can lead this minister?

Even the Ontario Teachers' Federation cannot lead this minister. If the school board trustees cannot lead this minister, I do not think I can lead the minister.

**Hon. Miss Stephenson:** Right and truth and justice.

**The Acting Speaker:** I suggest that the honourable minister store up her responses for her final reply.

5 p.m.

**Mr. Ruprecht:** The only thing I would like to lead the minister in, and I have already told her that I sometimes like her courage, is to lead her into withdrawing and killing Bill 127. The question is, will she do that? I do not hear a thing from the minister.

**The Acting Speaker:** As long as the member for Parkdale discusses the principle of the bill—

**Hon. Miss Stephenson:** For a change.

**The Acting Speaker:** —we will be pleased to hear from him.

**Mr. Ruprecht:** All right, Mr. Speaker. I really was, before I was very rudely interrupted.

**Hon. Mr. Sterling:** You keep asking her to respond.

**Mr. Ruprecht:** No. Why does the Provincial Secretary for Justice not wait until I am finished?

**Mr. Mitchell:** This isn't question period. Sit down and let her respond.

**Mr. Ruprecht:** Before I was interrupted—not by her, because I like her interjections—

**The Acting Speaker:** Order. I have asked the honourable member. I am beginning to lose some patience on this matter, because we are in the process of trying to debate Bill 127.

**Mr. Ruprecht:** You are losing patience?

**The Acting Speaker:** I have asked you now very formally to speak to the bill.

**Mr. Ruprecht:** Yes. The problem with you is that you are always losing patience with the opposition. Did you know that?

**The Acting Speaker:** I am saying the honourable member had better be careful.

**Mr. Ruprecht:** Yes, I am very careful.

**The Acting Speaker:** This chair is trying to be fair to all sides—

**Mr. Ruprecht:** You are not.

**The Acting Speaker:** I am saying this chair is trying to be fair to all sides. Are you calling the chair into question? Is that what you are doing?



**Mr. Ruprecht:** No, I do not think so at this point. Let me just—

**The Acting Speaker:** Do you withdraw those remarks?

**Mr. Ruprecht:** If you can tell me what I said, I would consider—

**The Acting Speaker:** I am asking you to withdraw the remarks calling the intentions of the chair into question, because this chair is trying in every way to be fair to all sides. I caution you. I have asked you many times to speak to the bill. You are failing to do so, and failing to do so on a continuing basis will cause me to make a decision.

I ask you first of all to withdraw your remarks about unfairness by the chair.

**Mr. Ruprecht:** Mr. Speaker, let me just make a preliminary comment then.

**The Acting Speaker:** I ask you to withdraw.

**Mr. Ruprecht:** I would like to make a comment on that.

**The Acting Speaker:** I have asked the honourable member to withdraw before he can continue.

**Mr. Ruprecht:** Can I not make a comment on that?

**The Acting Speaker:** I asked you to withdraw. I asked the honourable member to withdraw.

**Mr. Ruprecht:** I withdraw it.

**The Acting Speaker:** Thank you.

**Mr. Ruprecht:** Mr. Speaker, on that point—

**Mr. McClellan:** I bet you don't know what you withdrew.

**Mr. Ruprecht:** Yes, I do. This is a very important point. Mr. Speaker, since you are in the chair, I will raise this point. We have heard from the Minister of Education and then from the Minister of the Environment. You permit them to make their points. But when you hear from other people, from the opposition and from the third party, you suddenly say your patience grows short.

**The Acting Speaker:** I draw to the attention of all honourable members in this House that we are in the process of debating a motion for second reading of Bill 127, An Act to amend the Municipality of Metropolitan Toronto Act. I ask the honourable member to speak to that bill, to the principle of the bill and those things that are pertinent to it. In that respect, he has the floor.

**Mr. Ruprecht:** Okay, Mr. Speaker. I will continue my remarks very briefly, since I am

now wrapping up on Bill 127. Let me just continue without addressing myself to the former point.

What seems to be evident now is that the Minister of Education is in the process of shoring up some support for Bill 127. As I said earlier, that was evident in bringing the Metropolitan Toronto trustees to a meeting with the Ontario Teachers' Federation. Apparently we have some other letters from the boards of education for the city of North York and the borough of Etobicoke, basically as last resorts, which indicates to us that some attempt is being made to get some support for this very strangely and inconsistently produced Bill 127. There is some attempt being made to get some support because there is so much opposition to it.

I am mentioning that for a very simple reason, which is that the majority of the people we speak to and the majority of the people, including the organizations I listed before, are very much opposed to it. That is why the intention now is to shore up some support for Bill 127.

Finally, I want to indicate that the reasons this bill is being introduced—the official reasons that I have heard and that have been given to us—are certainly not right for Toronto. The basic point is being missed. The basic point is that bureaucratic efficiency and administrative simplicity are not the right or the real reasons to weaken a community's control over the schools that the taxes support. That is my final comment.

Local autonomy and local school boards must be left in a position to make these basic decisions. If that decision-making process is taken away for some artificial reason of bureaucratic efficiency or rationalization, then I say to the minister: "Withdraw Bill 127. Please kill this bill because if you do not, we are going to have a lot of problems in the city of Toronto."

**Mr. Wildman:** Mr. Speaker, some may wonder why a member from northern Ontario is standing to participate in the debate on Bill 127. I have never felt that Toronto is more parochial than any other part of the province and for that reason I have what I hope is something of worth to offer in this debate.

I have received a lot of calls from teachers in my riding regarding Bill 127. Obviously they are not directly and immediately affected by this legislation. This legislation deals with Metropolitan Toronto. One might wonder why teachers in the Algoma district are concerned about a

piece of legislation which the minister maintains deals only with Metropolitan Toronto.

**Mr. Boudria:** For the time being.

**Mr. Wildman:** That is exactly the point. One of these teachers is from the North Shore Board of Education, another is from the Central Algoma Board of Education, a third is from the Michipicoten Board of Education and a fourth is from the Hornepayne Board of Education. They have all contacted me because of what they fear is represented by the principle of Bill 127. They understand Bill 127 to be a bill instituting regional bargaining in Metropolitan Toronto. They see this as the beginning of a trend which, if it is accepted in this region, will be extended to other regions of the province.

I suppose their concern is that it will be translated immediately to other regional government areas of the province, such as Ottawa-Carleton and Hamilton-Wentworth, then to the restructured counties and eventually to the point where we may see this principle of regional bargaining extended to northern Ontario and specifically to the Algoma district.

Obviously I rise to oppose the principle of regional bargaining.

**Hon. Miss Stephenson:** You have regional bargaining in regions now.

**Mr. Wildman:** The minister says we have regional bargaining. I suppose we do in the sense that our district school boards have regional bargaining. I am not one who is opposed to district school boards having regional bargaining, but if the minister says that is the equivalent of what she is doing in Bill 127 in Metropolitan Toronto—

**Hon. Miss Stephenson:** No, that is joint bargaining.

**Mr. Wildman:** Well, what is the minister saying?

**Hon. Miss Stephenson:** This is joint bargaining by six boards.

**Mr. Wildman:** Exactly.

**Hon. Miss Stephenson:** But we are not talking about regional bargaining—

**The Acting Speaker:** The minister will have an opportunity to respond, and the member will have a chance to read the minister's remarks on the bill. The member for Algoma has the floor.

**Hon. Miss Stephenson:** Sorry, Mr. Speaker; my apologies.

5:10 p.m.

**Mr. Wildman:** Thank you, Mr. Speaker. I

stand corrected. We are talking about joint bargaining by six school boards.

The teachers who contacted me are concerned about the possibility that this principle of joint bargaining by school boards might be extended to other regions of the province and become the norm so that we would have the situation where, I suppose, the Sault Ste. Marie Board of Education would be bargaining jointly with the Central Algoma Board of Education and the Michipicoten Board of Education. If that principle were extended, it is obvious that difficulties would be experienced in other regions of this province.

We have seen the objections to this principle expressed in Metropolitan Toronto. Here, in an area that is much bigger in population but more restricted in geography, we have individuals, whether they be teachers, parents or school trustees from the Toronto Board of Education, who have said they fear the loss of local autonomy; they fear that the decisions which will be made by the Metropolitan Toronto School Board will not take local circumstances sufficiently into account so that an individual board of the six that are bargaining jointly will not be able to provide the special services and curricula the board feels are necessary to serve the students and the community at a local level.

If that is a possibility and a problem here, imagine the difficulties dealing with joint bargaining in an area like mine, where we would have a large metropolitan centre, such as Sault Ste. Marie, bargaining jointly with a board of education set up in a rural area, such as the central Algoma board, and perhaps even with a board of education serving two or three northern mining and logging communities, such as the Michipicoten Board of Education. None of those three boards of education have anything in common except the one thing that they are generally educating students; but the communities they serve are very, very different.

I suppose the minister would argue that somehow the school trustees in the Metropolitan Toronto area can take the diversity into account in making those decisions. If that is the case, then why are the teachers, the parents and the Toronto board so opposed to this? If the minister is right, why has she got so many people against her?

The minister reminds me of King Canute out there on his throne in the waves trying to hold back the water: he is the only one who knows what is right and he is going to stand against the flood. You know, we have had situations before



where individuals have said, "Everyone is out of step but me."

**Mr. McClellan:** We actually planted her in your caucus.

**Mr. Wildman:** I would never suggest that the minister is an agent provocateur in the Tory party, but if the minister is sensitive, if she takes seriously her position as the person responsible for determining education policy in this province and if she is concerned about the views of others, about the people she serves or is supposed to serve, then how can she just sit there and say, "They are all wrong but me"?

How can she say that the people who are opposed to this bill just do not understand it, that they have not read it well enough or that they are reading too much into it? How can she say that the teachers who contacted me are reading too much into this bill when they see it as the thin edge of the wedge, the beginning of a trend towards joint bargaining in regions outside Metro Toronto? I suppose the final step would be towards joint bargaining on a provincial scale, so that we would have one provincial bargaining system, something like they have in Quebec.

I received a letter from a Mr. Jordison of Hornepayne, Ontario. I will read briefly from it: "Dear Mr. Wildman:

"I am a teacher at the Hornepayne public school. I am concerned about the recently introduced legislation, Bill 127. I believe that it will take away local autonomy and reverse the progress that has been made with Bill 100. As a teacher and one of your constituents, I am requesting that you do everything in your power and political persuasion to have this legislation withdrawn or defeated. I will be waiting to hear from you and your progress in this matter. Thank you very much.

"Yours truly, G. L. Jordison."

**Mr. Piché:** You won't have to reply to him. I received the same letter, and I will be replying to it.

**Mr. Boudria:** We are waiting for your speech.

**Mr. Piché:** I am just going to reply to him by telling him the facts and that your reply will not have the facts.

**Mr. Speaker:** Order.

**Mr. Wildman:** Mr. Speaker, I have the greatest respect for the member for Cochrane North (Mr. Piché). He is a very likeable fellow, and I am sure he works very hard for his constituents. We all on this side of the House realize that we have to make time for his interjections and to

allow them to be put on the record, simply because he never gets up to speak on his own. He never gets up to express an opinion, either pro or con, on government legislation in this House. The only time he speaks is when he is interjecting. I really regret that the member, who has such potential, who showed himself to be such a strong municipal politician, has not taken the opportunity to express the views of his constituents in this House.

**Mr. Piché:** I object to that. When I say something, it means something. When you say something, it means nothing. You are always upset. Every time you get up you are upset. It means nothing.

**Mr. Speaker:** The member for Algoma will speak now to Bill 127.

**Mr. Wildman:** Mr. Speaker, I was welcoming his interjections.

**The Acting Speaker:** I ask the honourable member to speak to Bill 127 and to disregard those interjections.

**Mr. Wildman:** Mr. Speaker, I realize that my interjection in my own speech was not as orderly as the interjection of the member for Cochrane North in my speech.

As I was saying, it seems to me that if this minister's view of this bill is correct, she has not expressed it very well to the teachers of this province. They obviously do not understand what the bill is about, or at least what the minister feels it is about. I suppose, with the new pamphlet she has had printed, she feels she is going to be able to rectify that situation. She will be able to explain exactly what this bill means to Metropolitan Toronto and, beyond that, to the other regions of the province and to the whole province.

I really wonder, though, if a minister who can sit there with the attitude she seems to demonstrate towards the views sincerely expressed on this side of the House is really willing to listen.

**Hon. Miss Stephenson:** You have got to be kidding.

**Mr. Wildman:** You see, Mr. Speaker, the minister never really does believe that anyone could sincerely disagree with her.

**Hon. Miss Stephenson:** You do not believe what I say either; why should I believe what you say?

**Mr. Wildman:** Mr. Speaker, the minister misunderstands.

**Hon. Miss Stephenson:** No, I do not.

**Mr. Wildman:** I really do believe she actually does believe in what she is saying. I have never suggested, in regard to this bill at least, that the minister is not sincere in what she is saying. I think what she is saying is basically that six boards want it, one does not, and so she is going to do what the majority wants. I think that is how she views it. Just because she is sincere, though, does not mean that she is right.

**Hon. Miss Stephenson:** The obverse is also correct.

5:20 p.m.

**Mr. Wildman:** Obviously; but I do not think the minister really listens to what the opposition is saying.

**Hon. Miss Stephenson:** How could I avoid it? You have been saying the same thing over and over again for three days.

**Mr. Wildman:** It is not only the members of the opposition who are saying the same thing over and over again. As a matter of fact, the member for High Park-Swansea (Mr. Shymko) is one of those people who is saying the same thing over and over again. Unfortunately, the member has not had the opportunity as yet to get up and express his views in the House.

I think all of us on this side of the House would be quite willing to yield the floor to that member because I have heard that member speak before, both in English and in French, and he is a very capable speaker. I would welcome his intervention in this debate if he could somehow persuade this minister that her views are incorrect.

I do not really expect that the Minister of Health (Mr. Grossman) will get up and speak against this bill—after all, there is cabinet solidarity—or, for that matter, the Attorney General (Mr. McMurtry). However, the member for High Park-Swansea is not bound by cabinet solidarity. He can speak directly for his constituents and for their concerns in the House. If he was willing to do that, perhaps the minister would not be able to think it is just the opposition which is playing or being opportunistic in opposing this. There are people in her own party and there are people throughout this city who are opposed to this bill.

**Mr. Shymko:** Mr. Speaker, on a point of privilege: I am happy that during this debate references are constantly being made to me and that correspondence is being read. I would like to point out that I will decide whether or not, and when, I shall participate in this debate.

I would like to point out that members are

aware of my concerns and any concerns I may have expressed publicly. We have a caucus in which we are not imprisoned by any shackles or straitjackets where these opinions are expressed. That is the forum many of us use, as does the honourable member. I will participate whenever I feel like participating at the appropriate time. I do not want in any way to be tempted by the member to take part at an inappropriate time.

**The Deputy Speaker:** Order. Now that we have all had a chance to bash each other, let us get back to the bill.

**Mr. Wildman:** Mr. Speaker, I was not bashing the member for High Park-Swansea. I was simply encouraging that member to get up and speak in this House on behalf of his constituents. Surely, that is not bashing, that is encouraging the parliamentary process.

I respect the views of the member. I respect the fact he will decide when and if he wants to participate in a debate. I also respect the fact he has publicly expressed his views in correspondence and has been quoted in the newspapers.

**Mr. McClellan:** And Larry Grossman's views.

**Mr. Wildman:** For that matter, the Minister of Health also has been quoted in the newspapers. I respect the fact that member has expressed his views publicly and I am in no way trying to tempt him away from the straight and narrow, which he seems to think I am trying to do. I am just encouraging him to participate in a debate.

However, I will say in a friendly way that perhaps he should follow the example of his colleague the member for St. Andrew-St. Patrick (Mr. Grossman) when he was on that back bench. When the cabinet started to bash his riding and decided to close a hospital against the wishes of his constituents, that member got up and spoke against it; he fought against it and won. Where is he now? He is in the cabinet. I suggest the member for High Park-Swansea might follow that example and he might find himself in the cabinet one day.

**The Deputy Speaker:** Back to the bill.

**Mr. Wildman:** Yes, back to the bill.

Mr. Speaker, because I want to give the members on the other side of the House an opportunity to speak, I will conclude by saying that I want the minister to consider very carefully the views that have been expressed by parents' groups, by teachers' groups in this city and by the Toronto Board of Education; and also to take very carefully into account the views of the Ontario Teachers' Federation, of



local teachers throughout the province and of members of the opposition not only from Metropolitan Toronto but from different parts of the province.

The minister should also very carefully consider the views that have been expressed in her caucus by members from this city who, it has been indicated in this debate, have spoken against this bill. She should very carefully take into account the views expressed by those of her cabinet colleagues who are opposed to this bill. We do not wish see this kind of legislation forced on the people of this province or the people of this city and she could act in a very magnanimous way and say: "We understand now that what was suggested in this bill is not acceptable, that it is not going to achieve what we had hoped it would achieve. We are determined to maintain local autonomy in the education system, not only in Metropolitan Toronto but throughout Ontario, and in order to do so we will withdraw this legislation."

**Mr. Boudria:** Mr. Speaker, I was a little reluctant to speak on this bill, because I figured that probably some of the Conservative members wanted to do so, and I would gladly yield the floor to them if they expressed such a wish.

**Mr. Ruston:** They have not got any ambition.

**Mr. Boudria:** But since I do not see it coming, Mr. Speaker, I will make a small contribution towards the debate on this very important bill.

I have received a number of telephone calls and some letters on this topic, as have many other members also, of course. In the beginning I did not think this issue would concern very many of my constituents, because, as members know, my constituency is quite a distance from this city. But there are many people in this province, and I am beginning to be one of them, who fear that what will be created in this bill will be used as a precedent and its provisions will eventually apply to other areas of the province and possibly, as the member for Algoma (Mr. Wildman) and many other members have said, all across the province sooner or later.

One such group expressing this concern is a group from Ottawa-Carleton. I will read a very short letter to the members, but since it is different in context from some of the other documentation that has been brought forward in this debate, I will be very brief and just go over it. I am sure, Mr. Speaker, that you will permit me to quote from this short letter; at least I hope you will.

Cette lettre, Monsieur le Président, vient de

l'Association des Enseignants Franco-Ontariens au niveau secondaire, dans Carleton et la lettre m'est adressée; elle se lit comme suit:

"Au nom des enseignants, membres de l'AEFO-Carleton secondaire, je vous écris afin de vous inviter à vous opposer fermement au changement législatif qui propose des négociations régionales et conjointes obligatoires dans le Toronto métropolitain.

"M. George Meek, président de la Fédération des enseignants de l'Ontario, vous a déjà écrit pour vous exprimer l'opposition et les réticences de la FEO face à cette législation. Dans sa lettre, il explique très clairement la position de la FEO et je n'ai donc pas l'intention de vous réitérer son argumentation.

"J'attire toutefois votre attention sur le fait que toute loi obligeant les partis à une négociation conjointe et régionale serait au détriment des petits conseils et des filiales minoritaires.

"En tant que représentant d'un groupe francophone, l'AEFO se trouve souvent en minorité à la table de négociations. Dans une négociation conjointe et régionale obligatoire, nous serions nettement défavorisés, perdant tout levier qui nous permettrait de revendiquer les droits et les besoins éducatifs spécifiques du groupe minoritaire.

"Depuis 1975, les négociations entre les enseignants et les conseils scolaires sont régies par la loi intitulée "School Boards and Teachers Collective Negotiations Act". La section 4 de cette loi fut élaborée afin de permettre la flexibilité en négociations. Inhérente à cette provision est la reconnaissance de l'autonomie de chaque conseil scolaire et la reconnaissance du droit de chaque enseignant, par l'entremise de sa filiale, de négocier collectivement avec son employeur. Nous considérons que cette loi a bien desservi la population de l'Ontario et le milieu éducatif en particulier.

"Nous croyons donc impératif de nous opposer à toute législation qui irait à l'encontre de cette reconnaissance.

"Nous vous invitons à considérer sérieusement la position exprimée par M. George Meek dans sa lettre et nous espérons que vous serez convaincu que toute négociation conjointe ou régionale au Toronto métropolitain se doit d'être optionnelle et non obligatoire.

"Veuillez, Monsieur Boudria, agréer mes sentiments distingués."

C'est signé par Monsieur Raymond Jubainville, président de l'Association des Enseignants Franco-Ontariens, section de Carleton.

5:30 p.m.



The reason I have read this short letter into Hansard is to illustrate that there is increasing concern across the province about this legislation. This group from Ottawa-Carleton fears the position of minorities on the boards will be further watered down by the process which is espoused in Bill 127. This group and many others have sent a considerable amount of documentation to all members of the Legislature. We have spoken at length on the topic and I do not intend to take very long.

In concluding, I want to add that I and the other members of our caucus will be opposing this bill, as has already been made clear. I invite members on the government side to make their position quite clear. I am not advocating anyone in particular; all members on the government side should express their views on this legislation.

It is fine for us to say things outside this Legislature and then to say, "That is not quite what I said," or "That is not what I meant;" or things of this nature. It is imperative that each of us make a contribution on this very important bill, to speak loudly and clearly and to go on record as to what our personal positions are on Bill 127. Members on the government side have been quoted in the media and elsewhere but the only place that counts is here in the Legislature. It is very important for members of all parties, not just of the opposition, to make their contributions to this bill.

I need not remind the member for Cochrane North (Mr. Piché), who has not yet spoken on this or on several other bills and who represents a large francophone constituency, that he should rise and speak. I have expressed through this letter that the Association of Franco-Ontarian Teachers is very concerned about this bill. The Minister of Intergovernmental Affairs (Mr. Wells) has said in this House that he considered the member for Cochrane North to be, I believe his words were, "an excellent spokesman" on francophone issues. It would be only logical, therefore, in fact it would be incumbent upon the member for Cochrane North, who is seen by other members of his caucus as being an important spokesman on francophone issues, to stand in his place and tell us exactly what his position is, as "representative of the francophone community," concerning the effects of this bill on his constituents and also to see how this particular association, the same association, the Association of Franco-Ontarian Teachers in his riding feel about this legislation.

**Mr. Renwick:** Mr. Speaker, I would like to spend a few minutes on the various principles that are included in Bill 127, which is before the assembly. Over the years I have tried to avoid participating in anything having to do with the educational system and the relationships amongst its various components, because of the jargon with which those who are knowledgeable about the questions always confuse me; I have never been able to understand that jargon. I trust that in the few remarks I will make tonight I can avoid my own particular version of jargon.

I have no problem with two or three areas in the bill, and if the bill had simply restricted itself to those purposes there would have been no problem with it. Specifically, I have no difficulty with the provision of the bill relating to the quorum voting at the school board hearings and meetings. I have no problem with the conformity of the election of members of the school boards to the same term of office as is provided for members of municipal councils; and I believe the adequate provision of remuneration for members of school boards has been long overdue and a process should be developed. Those sections of the bill and those principles of the bill have my support.

There are two major areas in the bill which cause me concern: One is the introduction into the Municipality of Metropolitan Toronto Act of provisions related to collective bargaining. If one were to accept that there are differences of opinion with respect to the way in which collective bargaining should be conducted between teachers and school boards, then it is my submission to the minister that we should have adhered to the provisions set out in what is now chapter 464 of the Revised Statutes of Ontario related to teacher bargaining, which occupied so much of the time of the House some years ago; commonly known, as it was then, as Bill 100.

I say that because until this bill, which has come before us disguised as a Metropolitan Toronto bill, but in reality in one of its major provisions is dealing with the collective bargaining process, it was intended by this Legislature, and we had assumed that whenever the government in good faith wanted to deal with the question of teacher collective bargaining it would have done so under the omnibus bill which came before the assembly some years ago and which is now known as the School Boards and Teachers Collective Negotiations Act.

I would remind the House that bill speaks very clearly and in very concise language about



the purpose of the bill: "The purpose of this act is the furthering of harmonious relations between boards and teachers by providing for the making and renewing of agreements and by providing for the relations between boards and teachers in collective agreements."

It goes on: "This act applies to all collective negotiations between boards and teachers in respect of any term or condition of employment put forward by either party for the purpose of making or renewing an agreement." It provides further: "Negotiations shall be carried out in respect of any term or condition of employment put forward by either party."

It is a comprehensive and complete code for the purpose of collective bargaining negotiations between boards on the one hand and those representing the teachers on the other hand.

**5:40 p.m.**

It has worked tolerably well in the atmosphere of the province and we are now being asked by the minister to accept the provisions referred to in the bill as section 130a, an insertion in the Metropolitan Toronto act which goes a long way to destroy the import and purpose of the act to which I have referred, chapter 464 of the Statutes of Ontario.

I want to say to the minister that if she wishes to deal with that question she should have dealt with it within the principles that were established in that bill. I make that as a submission as a legislator, not just as a member sitting for a city of Toronto riding. When one fragments, as the minister is about to do, the collective bargaining process in Metropolitan Toronto related to the relationship among the school boards and the teachers, it illustrates to me that her tenure as Minister of Labour left her with little if any knowledge of the collective bargaining process.

I want to say to the minister that anyone who has sat through negotiating processes understands there is no way in which one can clearly and concisely define the financial benefits of teachers as distinct from many other areas in a collective agreement. There is certainly no way the minister can provide that other working conditions will be subject on a permissive basis or to a secondary form of collective bargaining between the area board and the particular group.

I want the minister and the House to note that there is no obligation to bargain about those so-called other working conditions. There is absolutely no compulsion of any kind to make certain that those questions will ever become a

matter of negotiation, whereas under the teachers' collective bargaining act to which I have referred and which is the law of the province, all of the conditions are on the table that either party wants to put on the table and it is a comprehensive and complete negotiation process.

I am surprised that a former Minister of Labour is not aware of that. I am not surprised that other members of the Conservative Party are not perhaps aware of the intricacies and the delicacies involved in the collective bargaining process, but surely the minister should have been aware of that as a result of her tenure as Minister of Labour.

I am quite certain that when the bill goes out to committee, and I understand it will be before the committee, a number of the difficult questions related to the fragmenting of the collective bargaining process will be brought to the attention of the committee. I would hope that in time good sense would prevail to persuade the minister that the purpose she intends to achieve is a purpose which is a disservice not only to the city of Toronto but to the Metropolitan Toronto area.

It is very significant that both in the Barry Lowes report that was prepared some years ago, and subsequently in the royal commission report about Metropolitan Toronto where the problem of diverse possibilities of negotiations between teachers and school boards are fully and clearly set out nevertheless, the conclusion of the royal commission, the Robarts commission, was that the best way to achieve the kind of autonomy that is reflected in all aspects of the relationship between the board to the community it serves and to the teachers who serve that board, is through an enhancement of local autonomy and the phasing out over a period of time of the Metropolitan Toronto School Board.

We should not lose sight of the fact that was the solution to the various aspects of the problem which the Robarts commission decided would be by far the best method of ensuring local autonomy, ensuring local accountability, ensuring a close relationship between the board of education of each of the area municipalities in Metropolitan Toronto and the communities they respectively serve. No one can read either of the two reports and not come to the conclusion that the Robarts solution to the problem, which is so long overdue in being implemented by this government in any real sense, is the best solution that could be devised for the Metropolitan Toronto area.



I do not intend to go on at any greater length about that question. I have tried to avoid the lifting of the threshold of the debate to the shrillness the minister believes will allow her to bulldoze this assembly into passing the bill. The vendetta she has waged against the Toronto board, the one and only reason this bill is before the assembly, is unbecoming to the minister and shows a total lack of understanding of the vitality and the growth of the Metropolitan Toronto system. It has grown through tolerance and diversity and through change and development among all of its integral parts, and it is not going to be throttled by the imposition of the fiat of the minister upon the system.

The minister has to understand that. The minister has to understand that, whatever her views from suburbia may be, the view from urbia is that the best interests of the whole community will be served only if the minister will desist from the course on which she has embarked. She spends her time in her own very caustic and unbecoming way in attacking the Toronto board as being some kind of an aberrant faction that has taken control of the educational system in the city of Toronto. The minister, in true schoolmaster style, is going to punish that board for the innovative and imaginative changes it has brought about in the educational system.

If I may turn to the other part of the bill that bothers me a great deal, and that is the strange statement by the minister that in some way this faction, which controls the board of education in Toronto, has discovered the bright side of deficit financing and that the Toronto board accumulates the deficit and the other boards have collectively picked up the tab. Frankly, I do not understand it. The minister may be far ahead of me in her understanding of the system.

I do not pretend to understand how the formulas are worked that the Metropolitan Toronto board and the Ministry of Education over the years have devised for the purpose of allocating the provincial grants among the various parts of the Metropolitan system. I understand that very few people can understand them. I certainly do not intend to waste my time trying to understand them, but I do want to suggest that perhaps the minister in her reply would assist me, to the extent that it is possible to assist me on this kind of question, to answer the kind of problem that appears to me to be raised by the Robarts report and that I have never quite understood.

I quote from page 317 of the Robarts report in

which the role and function of the Metropolitan Toronto School Board is analysed, both with respect to its advantages and its disadvantages. The report states: "It is generally conceded that the main advantage of the Metropolitan Toronto School Board is that it achieves a degree of equalization in educational expenditures and in educational taxation within Metropolitan Toronto.

"With control over the distribution of provincial grants and the proceeds of the Metro-wide mill rate, the Metro board has developed a highly complex set of formulas designed to achieve equity in the distribution of these funds. On the taxation side, the local costs of education in Metro are distributed among the municipalities of the entire area on the basis of their share of assessment. Upon this equalization arrangement the city of Toronto, with 39 per cent of the area's assessment, makes a substantial contribution to the educational revenue needed by the other boards of education."

**5:50 p.m.**

I would appreciate it if the minister in response would tell me what has happened since the Robarts report came out to make that statement inaccurate and to support the proposition that the minister would have us believe is the way in which the financing of the school board now comes forward.

If I can find the appropriate section I will then refer to the question of the disadvantages of the board. It refers very clearly on page 323 of the Robarts report to the problem that exists and that the minister has drawn attention to as the reason she is introducing this bill. It is also suggested "that the present structure provides a strong incentive to area boards to make expenditures beyond the level required by realistic service needs." It goes on to explain the very point the minister has made on a number of occasions, and it tries to assess the way in which this kind of question could be dealt with in a revised and improved system.

I have referred only in part to the sections dealing with the advantages and disadvantages of the Metro board. It then goes on to say what the effect would be on the financial resources of the area boards, the effect being an abolition of the Metro-wide mill rate by the Metropolitan Toronto School Board:

"Therefore, it is assumed that each area board would receive the provincial grants to which it is entitled and would make up the remainder of its revenues from a local levy on its own ratepayers. This proposal must be consid-



ered in relation to five key questions." I refer to only one of them.

"The commission asked the Ministry of Education to estimate the amount of provincial grants that would be payable in each of the area boards in 1976 had there been no Metro board. The results, which include adjustments to remove the financial effects of the teachers' strike in that year, are presented in a table which is attached to the report. It simply stressed that the strong financial position of the city of Toronto resulted in a net transfer of funds from that board to the other boards in Metro. This would also have occurred if provincial grants had been payable directly to the area boards. In effect, Toronto would have been required to give up funds to the province in some categories to satisfy the provincial equalization formula."

Probably time has passed those comments by, and the minister will be able to answer the question I raised about her response that somehow or other the deficit financing of the Toronto board is being covered by an added cost to the other boards in the area.

I therefore wish to reserve my opinion on the question of the provisions set forth in subsections 3, 4, 5, 6 and 7 of the proposed section 6 of the bill, which are amendments to section 127 of the act. I frankly do not understand how the minister can say that somehow or other the Toronto board has been milking the system in the light of my understanding, on a very cursory and superficial basis, of what the Robarts report was stating.

I would appreciate it if the minister, speaking on behalf of the government she represents, will in a forthright way tell us in detail the reasons they have rejected the Robarts evolutionary solution over a period of time, which would have preserved local autonomy, preserved the independence of each of the school boards, made each of the school boards accountable to its own ratepayers for the funds it received, and enhanced the educational system in the closeness of the relationship between the area board and the community it serves.

I would like to refer to another matter, because it is related whether we think it is related or not. I speak as a member for a Toronto area covering a substantial part of ward 8 and about one third of ward 7 in the city. The heritage languages question, which again causes the minister so much trouble, is an essential ingredient to preserving the society that is developing in Riverdale and in other

parts of the province which is so important to the society in which we live.

I believe the minister was at the dinner the other evening when the Premier (Mr. Davis) was speaking about the unique contribution of Ontario in the field of human rights and the nature of the society we have. He stated, in a way that few of us could express so accurately, his sense of the kind of province we have, let alone the kind of country we are endeavouring to develop.

I quote from the Premier's remarks that night, "Today's Ontario, while rooted in a magnificent history that goes back hundreds of years to the original French, English, Scottish and Irish settlers, and before that to the heritage of our native people, today embraces a reality that is multifaceted, multicoloured, multiracial and multicultural."

He goes on further in his remarks: "I happen to believe that the Canadian experience is something very special. I happen to believe that, whether one is of Hungarian or German or Italian or Jewish or Chinese or East Asian or West Indian background, sustaining that background in Canada means something different from sustaining that background in any other country."

He proceeds to talk further about the reality of the Canadian identity and then has this to say, "Pluralism, tolerance, diversity and understanding are not burdens upon the shoulders of this country or upon the shoulders of Canadians; they are a part of what being a Canadian is all about."

When I assess the comments the Minister of Education has made in the area of heritage languages and her denial of a reasonable request by the Toronto board for assistance in the promotion of a program with respect to heritage languages that has been the result of an immense community effort under the leadership and guidance of the board of education for the city of Toronto, I find it difficult to understand how she reconciles her views with those of her Premier.

I know the minister looks at me because she works in watertight compartments. She thinks it is quite appropriate and proper to use that language in the Ontario Human Rights Code, but that it is quite inappropriate and improper to use it in any area of the educational system.

**Hon. Miss Stephenson:** Mr. Speaker, this has nothing to do with Bill 127.

**Mr. Renwick:** Mr. Speaker, under the impetus of the minister, even I have strayed a little from the strict principles of the bill.

**The Deputy Speaker:** I have recognized your seniority in this assembly.

**Mr. Renwick:** I do appreciate that.

**Hon. Miss Stephenson:** Is that why he is allowed to do it?

**Mr. Renwick:** The minister must not pursue this bill on the question that somehow or other the educational experience of children in this province, which is unrelated to the collective bargaining process and to the provision and distribution of the funds available from taxation both at the provincial and municipal level, will be denied. It will be denied because the minister

does not understand the comprehensive, harmonious way in which the relationships between the various parts of the educational system as it has developed in Toronto has worked to the benefit of the pupils and the citizens of this province, in a way which will not be accomplished by this bill.

**The Deputy Speaker :** Before leaving for the dinner hour, may I, as Deputy Speaker, officially welcome the new member for Hamilton West (Mr. Allen).

The House recessed at 6 p.m.

#### ERRATUM

No.	Page	Column	Line	Should read:
84	3037	1	10	local needs. The association cannot support, however, the concept of provincial criteria which are established by the government and imposed on school boards. Individual school boards are in the best position to determine which criteria should be included in a school closure policy and local autonomy and accountability in this regard should not be eroded."



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No. 91

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Monday, June 28, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Monday, June 28, 1982

The House resumed at 8 p.m.

## MUNICIPALITY OF METROPOLITAN TORONTO AMENDMENT ACT (continued)

Resuming the debate on the motion for second reading of Bill 127, An Act to amend the Municipality of Metropolitan Toronto Act.

**Mr. Van Horne:** Mr. Speaker, I will attempt to give some evidence to that famous saying, "Brevity is the soul of wit." I will attempt to be brief, if not witty, in these few comments. I will also attempt to indicate to the minister a very sincere concern that many of my colleagues have about this piece of legislation.

The minister is aware, as are other members of this chamber, that I spent a considerable number of years in the teaching profession and that over those years I developed not only a feeling for what the teachers were doing in their own professional way in the classrooms, dealing with the variety of young folk who came to them day to day, but also a considerable empathy with those teachers who struggled over the years to gain some degree of individuality, some degree of recognition within their communities and some degree of clout in so far as their profession is concerned, to a point where those people had to become almost militant to get their point across.

At the same time, school boards as they developed from the small school boards, of which we had many hundreds across this province, to the point where they became joined as county boards, struggled and fought among themselves and with the process to get to a point where they thought they were really doing what was expected of them in the province; that is, to recognize their individuality and the things they had to offer as a particular part of our province.

I could name some of the boards I have been associated with. I have worked with the Norfolk Board of Education, with the Board of Education for the City of London and with the London and Middlesex County Roman Catholic Separate School Board. I saw these in the smaller sense, going back to the Simcoe situation, as almost one-man, one-horse organizations; and on to the collective groups, the county boards, we got in the late 1960s and early 1970s.

I have seen them try to adopt and adapt what they were doing to serve the communities, where not just the children and not just the parents but also the teachers made up part of communities. Now we are at a point where we see the government, the minister and the people who advise her, saying we have reached a point here in Metropolitan Toronto where we should bring in legislation, such as we have in Bill 127, which would in effect provide an opening for the wiping away of what the county boards and the smaller boards have struggled for over the years.

The minister shakes her head in the negative sense as though to say that is not what they are after. That may very well be the way she sees it, but the perception outside is that is what will happen.

Many speakers before me have addressed themselves to that similar concern regarding this bill. I indicated at the outset that I would attempt to be brief. I do not want to repeat all the words that have been said about the potential of this bill. It may well not be the minister's intent, but the potential is there. It is the thin edge of the wedge that concerns people.

I would like to make reference to a letter, as many other members have done to try to make their points. It is a letter sent to me by one of my constituents. With your indulgence, Mr. Speaker, I would like to refer to part of this. I know you do not like us getting into lengthy quotations and references, but I would like to read briefly.

This constituent's name is Marlene Maycock. She lives on Runnymede Crescent in London, Ontario. She indicated to me the following:

"Dear Mr. Van Horne:

"As a member of the teaching profession, I am very concerned about Bill 127, the Metropolitan Toronto act. The proposed legislation would remove negotiation from the local boards, thus destroying local autonomy. This is an alteration to the collective bargaining of teachers; should this be done in the Education Act?

"We in Middlesex"—she is working for the Middlesex board—"are concerned that this is a back-door method of tinkering with education, and it is the thin edge of the wedge. It will only be a matter of time until all salaries were

negotiated at once and effective local autonomy would be lost."

She goes on with other points to which reference has already been made in this chamber.

Beyond that, I do not think there is any question that our party has spoken out strongly against Bill 127. I cannot for the life of me understand why the minister and her officials would bend to whatever pressures have been put on them to allow this to happen.

After all, this government, through the course of the 1950s and 1960s, saw education grow under the leadership of the person who is now the Premier (Mr. Davis); and beyond that, under the leadership of one of his dear colleagues, a member who has been away from us for some little time, I am referring to the member for Scarborough North (Mr. Wells).

Under the leadership of those two gentlemen, the Ministry of Education went through some dynamic and changing times. I cannot for the life of me understand it, since those two gentlemen attempted to give autonomy to the communities in an organized way which they were able to accomplish with the introduction of county boards and many other things they did.

I could go back even beyond that to the former member for London North, a person who lived only a few blocks away from me, my wife and family. My wife happens to be here in the chamber with a couple of young people listening to these few words of wisdom. We were all neighbours of John Robarts, who was very concerned about education. We have witnessed how he, the present Premier and the former Minister of Education, the member for Scarborough North, saw education and encouraged the changes and development.

I hope that our new Solicitor General (Mr. G. W. Taylor), who is deep in thought, and a few of the other members in this chamber will reflect on what this might do to the degree of respectability and the degree of acceptability of the three persons to whom I have made reference, what it will do to their credibility and respectability, etc., to see this happen because, in my view, it very much takes away from the the foundation of their thinking by bringing in this type of legislation. It knocks it away, and I cannot understand it.

I know the minister is very loyal to her staff. I would love to hear her response to this. I think she has been misled by some of her staff and by some of the people within the Metro community who have pressures to bring for whatever reasons.

I indicated I would be brief. I told our whip I would not go past 10 minutes, and I have almost reached that point. In summary, I simply cannot support this. I am sorry to see it happen. I wish the minister would reconsider. I do not think she would lose face in doing so.

**8:10 p.m.**

**Mr. McClellan:** Mr. Speaker, surrounded as I am by my colleagues, I want to conclude our participation in the debate on Bill 127. The minister of Education (Miss Stephenson) is aware by now that we are opposing the bill. The difficulty is that I do not think the minister understands the nature of our opposition, the determination with which we are opposed to the bill or the reasons for our opposition.

**Hon. Miss Stephenson:** Yes, I do.

**Mr. McClellan:** No, I do not believe you do.

**Hon. Miss Stephenson:** Well, tell me then.

**Mr. McClellan:** I will try once again to explain it. I will take a bit of a historical approach. Before I do, let me dispose of one detail which I am not sure has been referred to in the debate so far. I may be wrong, but I do not think anybody has mentioned the strange provision in subsection 6(7) of the bill which adds an additional \$6 million to the city of Toronto's education levy.

**Hon. Miss Stephenson:** That is not strange.

**Mr. McClellan:** The minister thinks it is not strange. I am not sure this has been mentioned by previous speakers. One of the things Bill 127 does is bring in—the minister hoped, quietly, without anybody drawing it to anybody else's attention—an additional charge of \$6 million—

**Hon. Miss Stephenson:** I am—

**Mr. McClellan:** The minister will have her chance to speak. She has had one chance already. Perhaps the acting government House leader (Mr. Gregory), who understands how interjections contribute to the length of debates as we witnessed this afternoon, could whisper in the ear of the Minister of Education that it is in everybody's interests that we proceed as expeditiously as possible with the debate.

If the minister wants to interject after every second sentence of the speaker, I can respond in kind and will lengthen the debate however long the minister wants it to proceed. In fact, I can yield the floor under the precedents that have been established and allow the minister an opportunity to make her points known, but I am sure, Mr. Speaker, you do not want that to happen. I do not want that to happen. I know



the acting government House leader does not want that to happen.

**Hon. Mr. Gregory:** Speak on.

**Mr. McClellan:** I am going to try.

I have a document from Mr. Stephen G. McLaughlin, the commissioner of planning for Toronto, which talks about the effects of Bill 127 on Toronto. I quote one paragraph:

"The bill alters the calculation of assessment for apportionment purposes by increasing the amount of leviable commercial, industrial and business assessment, specifically the increase in such leviable assessment as determined by dividing raw assessment by 0.085, which is equivalent to a 17.5 per cent increase. The impact of this is the taxpayers in the city of Toronto will have to pay \$6 million per year more towards Metropolitan education expenses."

This is wonderful. I always thought it was the function of local government to make determinations with respect to the property tax. Am I confused somehow? Have I missed something in the course of life's journey that leads me to be totally confused about the basic job of a municipal council?

**Hon. Miss Stephenson:** Yes, you have.

**Mr. McClellan:** Oh, I have? One of the things I missed, obviously, is the power of the provincial government, represented by the Minister of Education, to do this job. We all know that municipalities are simply creatures of the provincial government established under provincial bylaws, if you will. They are poor, pathetic, abject creatures who lack the capacity to determine what the mill rate should be, what the property tax should be. These things are far better left to the wisdom and judgement of their betters up the street at Queen's Park. That is the attitude reflected again in the bill in section 6.

It is an intolerable intrusion for two reasons. First, it makes the assumption that the city of Toronto is incapable of setting its own property tax rate for education purposes. That had to be done in a semi-clandestine way with no consultation, no advance notice, no discussion beforehand with city of Toronto officials until they saw the bill and somebody went through it with a fine-tooth comb and discovered an extra \$6 million in property taxes.

That is a wonderful way for a provincial government to do business with any municipality: to present them with a \$6-million bill buried in a seemingly innocuous section of a bill which ostensibly deals with something else entirely,

joint bargaining. It is a fundamentally dishonest and disrespectful approach.

**Hon. Miss Stephenson:** It is very straightforward.

**Mr. McClellan:** Very straightforward, the minister says. As I was saying, what is for me dishonest and disrespectful of another level of government is for the minister very straightforward. It is precisely the same approach that the federal government is now taking vis-à-vis the provincial government. It is exactly the same thing as the established programs financing trick which the federal government is in the process of playing on Ontario and the other provinces.

When Ontario's ox is being gored, the Minister of Education, who is one of those who will suffer from this kind of victimization politics, cries loudly to heaven for justice and rails against the perfidious federal Liberals for their betrayal and for their bad faith. At the same time, she treats municipalities with exactly the same betrayal and bad faith and she wonders why her credibility somehow is less than that of some of her colleagues.

**Hon. Mr. Gregory:** That's only your opinion.

**Mr. McClellan:** I state my opinion. That is all I can do. I cannot do anything else. My opinion is that this minister has less credibility than any other member of cabinet and it is because of things like this.

That is the first point with respect to the \$6-million tax sock in Bill 127. The second point is an easy assumption to make. Do we not all hate fat-cat Toronto? Does everybody not hate Toronto? It is the easiest stick in the political arsenal. Take a good whack at Toronto, because everybody hates Toronto. Even other parts of Toronto in the Metropolitan Toronto region can take a kick at the cat because Toronto is greedy, selfish, nasty, short-sighted, imperialist or whatever. They can always say, "Let us take another slice off Toronto" and everybody will clap, because the assumption is that Toronto has always been greedy and selfish and does not share. With respect, it is not true and it is not fair.

When it comes to metropolitan government and when it comes to metropolitan government with respect to education, when the Metropolitan Toronto School Board was set up in 1953 it was an act of considerable generosity on the part of the city of Toronto to the suburban boroughs, which were going through a period of rapid development in the post-war years. The

city of Toronto gave to all the area boroughs, not only its borrowing capacity, its credit rating, to permit the financing of capital expansion in our school system to all the area boroughs, but also a share of its assessment for the purpose of easing the burden on those suburban municipalities.

**8:20 p.m.**

Over the course of the past 30 years—it will be 30 years in 1983—the city of Toronto has given, in credit rating and risk and in shared assessment—

**Mr. Piché:** There are only one and a half Liberals here.

**Mr. Bradley:** They are all in the committee.

**The Acting Speaker (Mr. Cousens):** Order, please. The member who has the floor would like to be able to continue his presentation without interruptions, and so would I like him to.

**Mr. Piché:** I'm sorry. The way he was talking I thought he was finished.

**Mr. Swart:** If you want to interject, get in your own seat.

**Mr. McClellan:** That's right. This is the member who lacks the courage ever to speak in the House; all he can do is interrupt and interject.

**Mr. Piché:** Who?

**Mr. McClellan:** You.

**The Acting Speaker:** Order, please.

**Mr. Piché:** You are repeating yourself. It has all been said this afternoon.

**The Acting Speaker:** Member for Bellwoods, please do not allow yourself to be distracted by mild interruptions.

**Mr. McClellan:** Before I was so rudely interrupted, I was saying that the city of Toronto has been generous over the course of the past 30 years in sharing its assessment and its credit rating to finance the expansion of our school system throughout the entire Metropolitan Toronto region. The assumption the Minister of Education is making in Bill 127 is not only that somehow this is not true but also that the city of Toronto has been even taking a free ride at the expense of the suburban boroughs.

**Hon. Mr. Gregory:** Right on.

**Mr. McClellan:** The acting government House leader says, "Right on." This is the kind of Toronto-bashing the minister is appealing to. The minister will have the opportunity to prove

her case when we get to the hearing. I challenge her to try to prove the case.

The Robarts commission is very clear in its presentation of the facts up to 1977, and the Lowes commission before it was very clear in its presentation of the facts. There is no evidence that the city of Toronto was taking a free ride. The evidence is that the city of Toronto, through its assessment, its sharing of tax revenue and its lending of its credit to the boroughs, made possible the tremendous expansion of our school system to the benefit of all the suburban areas.

I challenge the Minister of Education to bring us the facts and figures that would substantiate her allegation that Toronto is coasting and taking a free ride and that it somehow needs to be punished, an impression she is so obviously trying to convey. She always speaks about having a respect for the facts. I challenge her to bring those facts forward. I do not think she can do it. We will wait to see them at the hearing; I doubt if they will materialize, because the facts are contrary to her assertions and her assumptions.

Let me try again to explain our concern to the minister. During the period from 1953 onward, when the city of Toronto lent its assessment revenue, its tax dollars and its credit rating to finance the enormous capital expansion in boroughs, the city of Toronto paid a price. I have tried many times in the estimates of the Ministry of Education, as my colleagues have, to explain to the Minister of Education the kinds of problems we confront in the city of Toronto, which has received the bulk of the post-war immigration and which has had the most extraordinary strains placed on its elementary school system since the end of the Second World War. The price we have paid has been to sacrifice the quality of education in the elementary schools in the inner city of Toronto.

It is no accident that all the level 4 schools, the vocational schools, are located south of Bloor Street in the city of Toronto. In my riding of Bellwoods, I am blessed with Central High School of Commerce, Bickford Park High School and Heydon Park Secondary. These are all what are now known as level 4 schools. Unless one does not believe in the Bell curve, this is some kind of demographic miracle, it is some kind of educational happening. Here we have a little community in the west end of Toronto, south of Bloor Street, and all our high schools are vocational schools—dead-end schools, if I may say.



That speaks to a failure within the school system of the city of Toronto that has not been corrected to this day. I do not pretend that those problems have been solved. The problems are real, and the problems are that the schools have not been able to provide a quality education to our children in the community south of Bloor Street, east and west of Yonge Street, and that for many children the failure of the school system has meant that they have been consigned to dead-end vocational programs, or worse, have dropped out of school. They have not even achieved a minimum grade 8 level of educational achievement.

These problems have not been solved in the city of Toronto. I was over at Winona Drive Senior Public School earlier this year when the annual screening meeting was taking place. This is the meeting where the grade 6 children come with their parents and they are told which of them are going to go to the level 6 program, which are going to level 5, which are going to level 4 and, God help us, which are going to level 3. This happens in my community at grade 6, when the children are 10 or 11 years old. From that point on, their social, economic and cultural achievement levels are fixed. They are locked in. This is the kind of concern I am speaking to when I try to address the Minister of Education about Bill 127.

About the middle of the 1960s many people in the city of Toronto realized the price we had been paying as part of the metropolitan structure; they realized the damage that had been taking place and the harm that was being done to children who were not receiving the education they required in our inner-city schools. All kinds of attempts were made to reform the quality of education, starting with the worst of the inner-city slum areas in the east end. All kinds of special initiatives were attempted using Company of Young Canadians money, experiments based on Operation Headstart in the United States, dedicated community volunteers providing after-school programs in places such as Park Public School and Duke of York Public School.

There is a history of 15 years of effort within the city of Toronto to try to come to grips with the problems that are manifested in the development of nothing but dead-end vocational high schools in our communities south of Bloor Street. There is a whole generation in the city of Toronto that has worked very hard over the course of the past 15 years, from about 1965-66 to the present time. That work has taken a

variety of forms and shapes. Some people have worked in the schools. Some people have worked in social agencies developing after-school programs. Some people have done both. Some people have even run for the board of trustees and become school trustees and tried to effect the kinds of changes that would make equality of educational opportunity a reality for children in some of our inner-city areas.

Again, I am the first to admit that work has barely begun and that we have many miles more to go. But when I read the comments of the Minister of Education about Bill 127, in the speech she made to the St. David Progressive Conservative Association on June 22—

**8:30 p.m.**

**Mr. Swart:** Is this the one she had printed at public expense?

**Mr. McClellan:** This is the one that has been printed as a Ministry of Education brochure.

**Mr. Bradley:** Does it have the logo of the Ministry of Education on it?

**Mr. McClellan:** Yes, it does. I will come back to that in a minute.

I wanted to continue the thought with respect to this minister's apparent lack of understanding of this whole movement I have been talking about, which has preoccupied so many community leaders, so many parents and so many teachers in the city of Toronto over the course of the last 15 years. What is the minister's comment on this phenomenon? She said the Toronto Board of Education had been out of step with the rest of the boards of education in Metro.

**Mr. Di Santo:** Out of step?

**Mr. McClellan:** Yes, that is right. That is what she said. I am quoting from her speech: "In support of my argument that the Toronto board is out of step with other boards and out of step with the realities facing the taxpayers, I should like to cite the evidence. In a comparison of student enrolment, full-time teachers and the number of schools operated by school boards in Metropolitan Toronto, figures for the Toronto board are particularly insensitive to the enrolment decline. For example, the pupil-teacher ratio for the Toronto board has dropped by three points, from 21.9 in 1971 to 18.9 in 1981, making it the lowest for all Metro."

Mr. Speaker, 15 years of struggle went into reducing the size of our classes in the city of Toronto, in order to make it possible to have the kind of additional help for immigrant kids and kids from inner city areas, the slum areas, that

would perhaps redress the imbalance they had in their life situations. A lot of blood, sweat and tears, if I may say, went into achieving that seemingly innocuous little statistic, into getting the class size down from 21.9 in 1971 to 18.9 in 1981.

All the minister can see in it is that somehow the board is out of step. We are not facing the realities of declining enrolment. We are not engaged sufficiently enthusiastically on her constraints, also known as cutbacks. She does not understand the significance of what is being attempted. She does not understand it at all. She goes on to use the most vituperative language—

**An hon. member:** Shame. There is only one Liberal in the House.

**Mr. McClellan:** Mr. Speaker, would you—

**The Acting Speaker:** I keep trying. I ask the honourable member to discontinue these interjections.

**Mr. McClellan:** He is not even in his own seat.

**Hon. G. W. Taylor:** They are listening to their kissing cousins. They are all out before the TV sets paying homage.

**Mr. McClellan:** Mr. Speaker, I have all night. Either you will enforce a measure of decorum or I will just stand here and wait while the honourable member mutters into his microphone.

**The Acting Speaker:** Order.

**Mr. Piché:** I have been listening all night. You have said nothing.

**The Acting Speaker:** The chair is anxious that the debate continue. I ask honourable members to withhold their comments. Carry on, please.

**Mr. McClellan:** I concede that I may have said nothing that interests the honourable member. But I do not understand why the Minister of Education would use the most vituperative language to attack the integrity of the Toronto Board of Education, and also why she would attempt to link the issues relating to Bill 127 with the very emotional issues related to heritage languages and the use of a third language as the language of instruction on a transitional basis. She has tried to merge all of those and, quite frankly, to lower the level of debate to one of fear-mongering within the community.

This is precisely what she has done with this venomous little tract that she has had the gall to have published under the logo of the Ministry of Education and distributed by the communications services of that ministry. Aside from the stridency of the language in this document it is quite simply an attack by a member of the

Progressive Conservative Party on members of the New Democratic Party.

Obviously it is the business of politics for each of us to criticize the policies and programs of the other parties; that is why we are here. But in my seven years here I have never seen a piece of Progressive Conservative Party propaganda specifically designed to discredit members of other parties that has been published as a Ministry of Education document, as this one was during the municipal election campaign this fall, to discredit trustees of the Toronto Board of Education who belong to parties other than that of the minister.

What right does the Minister of Education have to turn the Ministry of Education into an organ of the Conservative Party? There are some things that simply are not done. We all have means of communicating with our constituents: We have our riding reports, our legislative offices with mailing privileges and our constituency offices and their mailing privileges; and each and every one of us, as MPPs, has staff. Why does a cabinet minister need to destroy the integrity of her own bureaucracy by making it an arm of her political party? Does she not realize how it compromises whoever works in the communications services division of the ministry to be sending out political tracts rather than information about the ministry?

**Hon. Miss Stephenson:** It is a factual statement.

**Mr. McClellan:** The minister says it is a factual statement; but, of course, it is not. One of the things the minister says in the text, and I just want to take a second to find it, is that the discretionary one-mill local levy provided for in Bill 127 will produce for the city of Toronto, and I will read directly from the tract: "In Toronto's case this would amount to about \$6.5 million, an amount which certainly would cover the salaries of 40 or 50, 100 or 200 teachers."

This is totally false. The minister has already conceded that she was wrong when she settled on the one-mill discretionary local levy. And she has already backed down from that point of view, because she has been advised that it is not possible to switch funds from the elementary panel to the secondary panel because of the separate school supporters at the secondary panel. So she ignores—

**Hon. Miss Stephenson:** Was that suggested in there or stated in there? It was not.

**Mr. McClellan:** The minister knows that this whole section of the document is false, because



she has already backed down on her position with respect to the one-mill local levy.

The real problem, of course, is the tone of the document, which, as I said, is strident and plays on fears and misconceptions about other programs in order to sway people to her position on Bill 127. It is one of the sorriest performances I have witnessed in the seven years I have been here. I do not recall ever seeing a minister behave in quite so unpleasant a way with respect to a bill which was introduced here and that generated a fair amount of contrary opinion.

8:40 p.m.

There have been many pieces of legislation that have produced something of an uproar when they actually saw the light of day. Nobody is infallible. We all make mistakes except, of course, for the Minister of Education, who is, after all infallible. All those thousands of people—

[Applause]

**Mr. McClellan:** Right, the Attorney General (Mr. McMurtry) applauds. That notorious supporter of Bill 127 will stand in his place and vote for Bill 127, together with his colleague the Minister of Health (Mr. Grossman) because they are unable to admit that they were conned and manipulated and did not understand that they were selling their own constituents down the pipe when the bill went through cabinet. Rather than fight to have this bill withdrawn, they will stand in their places and vote for it and try to ameliorate its more sordid provisions.

The best thing would be to simply have the bill withdrawn. The point has been made many times that it takes away the effective power from the Toronto Board of Education to conduct its own affairs, to make fundamental decisions about the quality of education that will be provided within the city. Those powers will be taken away because the board will lose the capacity to be the decision-maker as to how many teachers are hired. The board will be constrained in its capacity to raise additional funds, to provide additional quality services because the Metro board will have the override of these provisions.

The Minister of Education denies and denies and denies that any fundamental change is taking place. It is crystal clear to everybody within the board of education in the city of Toronto that these are fundamental changes; not just the trustees and not just the trustees of a particular political party; not just the teachers; not just the leaders of the teachers' unions, but parents who have been engaged over the course

of the last eight years in a process of liaison with the schools throughout the city, through the school staffing committees and the area councils and the conventions; the parents and the officials of the board of education.

**Hon. Miss Stephenson:** Manipulated and orchestrated.

**Mr. McClellan:** The officials of the board of education are manipulated and orchestrated?

**Hon. Miss Stephenson:** No, no; the conventions and conferences.

**Mr. McClellan:** The parents are manipulated and orchestrated. I see. Has the minister ever tried to manipulate and orchestrate 2,000 parents? Has she ever tried to do that? If she knew how to do that I wish she would commit her thoughts to paper as to how one manipulates—

**Hon. Miss Stephenson:** You have not read some of the concerns of some of the participants.

**Mr. McClellan:** Does that make the Attorney General cringe?

**The Acting Speaker:** Order, order.

**Hon. Mr. McMurtry:** Is that really water?

**Mr. McClellan:** Unfortunately, yes. But really, after a comment like that, I do need a good stiff drink. It is not possible, despite the crazed views of the Minister of Education, to manipulate—

Interjection.

**Mr. McClellan:** If the minister is trying provoke the Attorney General into agreeing with her on that last set of propositions, I doubt that she is going to be successful. I think I know that my friend the Attorney General has a better regard for his own constituents than to suggest that the parents—who are involved in the staffing committees in our schools and in the area councils and in the conventions—are able to be manipulated.

Finally, of course, there are the officials of the board of education. Is somebody manipulating Dr. McKeown? I do not know if the minister is aware, but the documents that she was so vitriolically angry about, that were sent home with school children, were authored by none other than the eminent Dr. McKeown.

**Hon. Miss Stephenson:** Yes, I am aware.

**Mr. McClellan:** Oh, she is aware, and still she acts in this deranged, vituperative, vitriolic and nasty way.

He is one of the most distinguished educators in the province, an eminently civilized gentle-

man, who is not embroiled in the hurly-burly of partisan politics. I have had many interesting disagreements with him on matters of policy. To suggest that Dr. McKeown is somehow involved in some nefarious, partisan plot, or that Dr. McKeown is involved in some nasty attempt to exploit children is absolutely preposterous, absolutely preposterous.

**Hon. Miss Stephenson:** No, it isn't.

**Mr. McClellan:** It is preposterous and the minister should be ashamed of herself.

**Hon. Miss Stephenson:** No. You should be.

**The Deputy Speaker:** Speaking to the bill.

**Mr. McClellan:** Finally, the interpretations of Bill 127, which is the product of much scrutiny and thoughtful consideration by officials of the Toronto Board of Education, are listed on the documents that were sent home to the parents. They have been spelled out time and again by participants in this debate. They are: increased regular class size; the closing of neighbourhood schools; the elimination of the additional staff allocation provided in schools with French immersion programs; the reducing of the availability of English as the second language program for pupils who need this kind of help; the closing of all-day kindergarten programs in the most inner-city schools; and the moving of the common starting point for core French from grade 4 to grade 5 or 6.

**Hon. Miss Stephenson:** Now, there's fear-mongering for you.

**Mr. McClellan:** Then again, it may serve some mystical purpose of the Minister of Education to accuse officials at the Toronto Board of Education of fear-mongering. It is one thing for the minister and I to exchange views in a heated manner across the floor of this chamber, separated as we are by two sword lengths, and it is quite another thing for the Minister of Education to engage in a kind of systematic character assassination of trustees, parents and board of education officials at the city of Toronto level simply because her bill is under attack, simply because they disagree with her, simply because they are saying these are the consequences of Bill 127, because this bill takes away their essential powers and their essential capacity to fund their quality of education programs.

As usual, the minister refuses to accept the slightest criticism and we are used to this. She interprets her role as using the full power of her ministry to squash those who are so audacious as to put forward contrary views, to use for her partisan purposes the communication services

division of the Ministry of Education, to insult in the most mean-spirited language those who oppose her views and to characterize the parents in derogatory terms.

**Hon. Miss Stephenson:** I did not.

**The Deputy Speaker:** Back to the bill.

**Mr. McClellan:** I do not think the minister even hears what she says. It is just a kind of a reflex action. I don't expect I am making any impact on the Minister of Education. I hope some of her colleagues have retained a measure of common sense around this issue so they can drag this minister, kicking and screaming, back to a rational position because at this point in time she is out of control.

This bill is a damaging and destructive piece of work that is going to harm the quality of education in the city of Toronto and, eventually, in other communities. I hope her colleagues such as the Attorney General—who I think knows what I am talking about, even if he would be reluctant to so signal—will have the opportunity to bring this matter back to cabinet or to caucus, whatever the decision-making mechanisms are, and have a sober second thought about it, a sober second glance before it is too late.

**8:50 p.m.**

**The Deputy Speaker:** Does any other member wish to participate in this debate? Then I call on the minister.

**Hon. Miss Stephenson:** The member for Downsview (Mr. Di Santo) was standing so I hesitated.

**The Deputy Speaker:** I was waiting. He who hesitates is lost. In my examination of the situation the minister has missed it.

**Mr. Ruprecht:** Let the member for Downsview have five minutes.

**Mr. Di Santo:** Mr. Speaker, I will be very brief. I would like to participate in the discussion of Bill 127 because I represent the board of education in Metropolitan Toronto which is the one that sent a letter to the Premier (Mr. Davis) on June 10, expressing support for Bill 127.

I think that since the minister represents—

**The Deputy Speaker:** Order. The member for Downsview has left me in an embarrassing position. As tolerant as I am, I had called for any other members wishing to participate. It has always been my approach, as Deputy Speaker, that I would hardly limit anyone wanting to debate in the Legislature. So with those few comments in mind I trust the member for



Downsview, who I think was a little slow in getting to his feet, will limit his words to a reasonable length of time.

**Mr. Di Santo:** Thank you, Mr. Speaker. I said that I would be very brief. The only point that I would like to make is that I represent the Minister of Education (Miss Stephenson) in the part of the city where North York has jurisdiction.

If the minister was ever justified in making an attack on the local autonomy she should not have attacked the Toronto Board of Education. That has been the only board which has proved in the past to be in touch—not out of touch, as the minister says—with the problems of the population it represents, as opposed to the board of North York.

The minister said in her speech, which was paid for by the taxpayers of the riding association of St. David, that the boards which do not use the money now are forced to give the money back to the Metro board. That is the case with the North York Board of Education, which also tried to give back \$95,000 of money allocated for the heritage languages programs. If, in the mind of the Minister of Education, that is progressive, then I can understand why she attacked the Toronto Board of Education.

I do not want to take much more time except to say this bill is a most reactionary attack on local autonomy for partisan reasons. It may suit the interests of the Conservative Party of Ontario, of which the Minister of Education is a spokeswoman in this instance, but it will damage in the future that structure of the school board that we think is fundamental in representing the interests of the parents and the students. For this reason, like my colleagues, I will vote against the bill.

I also hope that those members on the Conservative benches, such as the member for High Park-Swansea (Mr. Shymko), who has already spoken openly against the bill, the Minister of Health (Mr. Grossman), and I do not see why the Minister of Correctional Services (Mr. Leluk) as well, will not stand up and tell the Minister of Education that this bill is an attempt against students of ethnic origin. I had hoped that those members and the ministers on the other side who understand what is at stake with this bill would stand up and try to stop the Minister of Education, even though I think that is an impossible task.

**Hon. Miss Stephenson:** Mr. Speaker, I rise to respond to some of the remarks that have been made regarding Bill 127 during the course of

second reading. I appreciate the active participation in this debate of so many members of the Legislature. I am concerned there still are misconceptions about its intent, purpose and structure. For example, the first of the debaters, the member for St. Catharines (Mr. Bradley) wondered why it was in the Municipality of Metropolitan Toronto Act.

As the members of this House know, when the metropolitan form of government for what is now Metropolitan Toronto was established, it was determined that it was necessary to find some mechanism to try to ensure some equitableness in educational arrangements throughout Metropolitan Toronto. The basic premise of the Metro arrangement is not that a single board of education owns the funds generated from its ratepayers, but that the schools across Metro should be supported by all the taxpayers across Metro. That was one of the principles and objectives of establishing that form of governance.

It is not a matter of six boards agreeing to share and share alike, it is a matter of the area pooling all its resources and sharing them equitably amongst the individual boards so there is equality of access to educational programs regardless of the assessment wealth of an individual board that has responsibility for education in that area.

I do not think there can be any doubt, particularly amongst certain members of Metropolitan Toronto, that the quality of educational programs and the quality of educational opportunity has improved dramatically as a result of the capacity of various area boards, particularly the larger ones, to share or to pool the resources for the benefit of all of the Metropolitan Toronto area.

If one begins in that way, with the knowledge that the governance of a school system for that purpose and the funding mechanism established to achieve that purpose was the basis of discussion of amendments in this area, then one has to understand it is quite rational that the requirements would have to be included in an amendment to the Municipality of Metropolitan Toronto Act.

When in September 1981, as a result of our review of the Matthews commission last fall, we began to share information and the kinds of directions we were thinking of with the Ontario Teachers Federation, with the Ontario Association of Education Administrative Officials and with the Ontario School Trustees' Council, they were given documentation of the kinds of

directions we were thinking of. They were told specifically that we were looking at joint bargaining on a province-wide basis by panel, that we were looking specifically at that for Metropolitan Toronto and that we did not know at that time in which way this would be presented.

In January, when they were given the final legal wording for the proposed amendments, they were again told we did not know whether this would appear for Metropolitan Toronto in amendments to Bill 100 or to the Municipality of Metropolitan Toronto Act. It did not come as any surprise to anyone, truly, because they knew we were awaiting the advice of legal counsel about the way it should be presented. Since the Municipality of Metropolitan Toronto Act has primacy, it obviously had to be presented in that act.

I should think everyone who has had any experience with legislation would realize that although that act has primacy for those items mentioned specifically within the act, the other piece of legislation which provides the framework for board-teacher negotiation is in place for all other activities related to that board-teacher negotiation, and nothing can fall outside that framework within this province because it is there, it is in existence and it provides the direction for those legal negotiations.

#### 9 p.m.

The Matthews commission very strongly suggested in the body of its report, on page 52, that in its view Metro-wide negotiations were desirable, but only if provisions could be made for special problems within the scope of the negotiations. Being sensitive to the concern that was being expressed about the need for accountability at the local level, we very specifically separated away the kind of direction the Matthews commission was suggesting, that there be total negotiation at a co-ordinated level at Metropolitan Toronto for all items within the teacher contract. That, of course, would have made the teachers ostensibly employees of the Metro board.

We did not want that to happen and therefore ensured that although there would not be regional negotiations, there would be joint negotiations with one representative from each board, not necessarily the representative elected to Metro board, I would remind members, but one representative from each of the area boards, plus one representative of the Metro board. That would ensure that the contract encompasses those teachers who are hired directly by the Metro board, and there are some, as members well

know. It would also ensure that joint negotiation would take place with each of those representatives representing their boards for the purposes of the two items that were to be negotiated centrally.

That would apply to all other items related to the contract, which include the provision of facilities, the distribution of staff under the allocation formula, the special ways in which special education allocations are to be distributed, the organizational patterns of schools and the structure, function and organization of programs, and a number of other items related to staff-board relationships that are not in the master agreement, or the central agreement, and make up the bulk of most of the teachers' contracts.

The sensitivity to that led us to the position that we had to ensure there would be local negotiations, which would form the basis of the contract and of which that centrally negotiated agreement would become an integral part when it was finalized. In this bill, the teachers are employees of the local boards. In this bill, part of the contract, which is negotiated jointly by the boards with their elementary and secondary teachers, becomes part and parcel of the local agreement to be monitored and carried through by the teachers within that local area and the board within that local area.

A question arises about what would happen if a grievance were to occur in part related to the two items that are to be bargained centrally. That is a matter we have to look at very carefully. I am aware that under the province-wide negotiation system for construction workers there has been a decision by the Ontario Labour Relations Board that in some circumstances the master agreement prevails and those who negotiate the master agreement become part and party to the grievance arbitration.

In this instance, where the representative of the local board is functioning jointly with representatives of other local boards in a co-operative effort to define a contract that will apply to all the local boards equally, but specifically will become a part of a local contract, I think we need some further clarification of the role of that representative, who is not necessarily a member of the Metro school board, in terms of grievance arbitration if it should arise.

I believe it is important that we look at the specific concerns, quoted at length by the member for St. Catharines, as raised by a member of the legal profession. That lawyer suggested it was illogical to place the amend-



ments in the Municipality of Metropolitan Toronto Act. As I have suggested, it is not at all. It is entirely the appropriate place to put them. That eminent legal counsel suggested we were not being politically honest by ensuring that there was a function for Metro board and for the joint bargaining mechanism in the action that has been taken, and he is obviously assuming that the two-tier system of governance of schools in Metropolitan Toronto simply cannot work.

We have much evidence to the contrary and I believe it would be politically more honest to give that structure a chance to work than simply to suggest it should be disbanded out of hand without attempting to find a way to make it more effective.

There is a suggestion within the very first part of counsel's letter that obviously a similar approach was going to be forced on Ottawa-Carleton, for example, or Hamilton-Wentworth. It is obvious the eminent legal counsel has never looked at the government structure of the school systems in those regional governments. There is no other two-tier system in Ontario. If I know anything about my colleagues in this Legislature, particularly in cabinet, there is unlikely ever to be another two-tier system in Ontario.

Metro, in its unique characteristics, must be governed uniquely and this is not to be copied. I can say honestly, without fear of being in any way considered to be breaching any faith, that there is no intention of expanding this mechanism, this structure, this pattern to any other part of Ontario. None. This is specifically for the purpose of Metropolitan Toronto in order to try to make that government structure more effective in support of the objectives of the Metro system of education.

The legal counsel also suggested we had not clearly defined all the terms within the legislation, specifically and precisely, so that legal counsel could determine exactly what they were. I believe a financial benefit is something that either accrues some financial prize for the individual or, indeed, is money that individual will have in hand as a result of a contract. But if there is any difficulty with that, there is no doubt in my mind it will be negotiated, as all sorts of other things have been negotiated, at the table when bargaining begins. I do not believe the counsel's suggestion that the proposed amendments fail to provide any forum for clarifying answers to the problems raised, because I really believe the forum is the negotiating table.

It has been suggested by some of my col-

leagues in the New Democratic Party that I am not aware of what goes on at negotiating tables. I can tell them I am acutely aware and I am also aware that under Bill 100 the scope of negotiation is anything but limited. All this act is doing is defining negotiation at one level only and that level is there simply for the guidance of the boards at local negotiations as well.

I believe the lawyer suggested that the sections under 130a, 130f and 130g are contrary to section 8 of Bill 100 in law and philosophy. I do not believe, from the legal advice I have received, they are contrary at all to the spirit, the philosophy or, indeed, the legality of the others. All the terms and conditions are negotiable now as they always have been, under Bill 100, since Bill 100 came into place. I do not believe that is a valid argument in this situation.

Many other suggestions were made by that eminent legal counsel, none of which I believe carries any weight or has any validity, except for one. That is, if there is a problem related to—I am sorry, there is one we intend to correct and that relates to the mechanisms for bargaining at the Metro level, I guess one would call it, even though it is not the Metro board that is bargaining—the mechanism regarding the teachers. There will be an amendment introduced that will ensure that the rules and guidelines for negotiating which apply under Bill 100 will be part and parcel of the negotiating system within Bill 127 for the part of the bargaining that is done at the central level.

**9:10 p.m.**

Section 7 of the act will be amended in order to ensure that this part of the School Boards and Teachers Collective Negotiations Act will apply specifically to the negotiating committees referred to in subsections 130b, 130c and 130d. This, I believe, does provide for the flexibility the Ontario Teachers' Federation has been asking for.

There are a couple of sections that I believe we will not be able to monitor or assess appropriately with respect to the potential difficulty that the legal counsel in this letter has pointed out, but it is the view of several of the law officers of the crown that it was unfortunate that so much money was spent for such a poor assessment of a piece of legislation.

Nothing is cast in stone, and if there are problems with the wording in this legislation I will be very willing to look at suggestions that are made to improve the wording in order to clarify it. The intent of the legislation is entirely clear: it is to try to bring a greater measure of

equality of educational access and opportunity again to the children in Metropolitan Toronto.

I might go a bit further and suggest this is one of the major reasons we are moving in the direction of bringing Toronto into line with the rest of the province with regard to the change in the apportionment. The honourable members may be aware that until now within Metropolitan Toronto the apportionment has not been based on the same division as it has been in the rest of the province. There is a mechanism in this bill to equalize the residential and commercial mill rates across Metro on the budget as approved by the Metropolitan Toronto School Board.

The previous apportionment was based on raw assessment, both residential and commercial, of each area as a proportion of the total in Metro, and this resulted, quite honestly, in a lower mill rate for all ratepayers, whether commercial or residential, in the city of Toronto and in Etobicoke than for the ratepayers in other area municipalities. The procedure certainly has been different from that which has prevailed throughout the rest of the province.

The proposed change calculates the assessment in each area municipality by using the same formula as prevails in the rest of the province. That is, 85/100 residential to commercial differential will be used in Metropolitan Toronto, the same way it is used in all other parts of the province by all other school boards for both apportionment and grant purposes.

The impact of this change on each area municipality for elementary and secondary education is as I have announced. The dollar increase involved is estimated to be about \$550 million in the city of Toronto. It is about \$315 million at the elementary level and \$240 million at the secondary level. The effect in Etobicoke is less significant in the total comparison than in Toronto. The percentage differences are 0.001 and 0.007, respectively. That adds about \$7 to each of the tax bills in the city of Toronto.

But the interesting effect it has is on the assessment level from which the discretionary levy is calculated. Under the current raw assessment that is used, the discretionary levy within the city of Toronto for elementary schools is unweighted and amounts, at 1.5 mills, to approximately \$4,401,458. If it was hiring teachers at an average salary of \$30,000, that could provide a board with an additional 146 teachers.

With the modification of the apportionment to the 85/100 level, the increase in the assessment base provides for the local levy to deliver

for the city of Toronto, at 1.5 mills, \$4,879,324 elementary, which, at the rate of \$30,000 average salary per teacher, would provide 162 teachers.

The effects in the other boards are much less significant. For North York, the difference at present in this kind of apportionment provides for a change of about only \$100,000 in the discretionary levy; for Etobicoke, it provides for an additional \$200,000 and the other boards are proportionately somewhat less. Scarborough would gain something like \$115,000 in its discretionary levy if it were to choose to levy the 1.5 mills.

The other night when we began discussion of Bill 127, I suggested I was very much prepared to look at the retention of the current discretionary levy of 1.5 mills. This was as a result of discussions with several trustees in the Toronto board itself. The other interesting part of that discussion, which I should report to the members because I think we must consider it seriously, is that there be a limitation placed upon the utilization of that 1.5 mills.

Up to one mill might be used for the purpose of additional teachers, and the remaining half mill used for a purpose which appears to be of some critical concern to many of the Toronto trustees, that relating to community joint projects with the school board, and perhaps the addressing of whatever deficit problem there might be as a result of the action of the school board. That is something that should be considered very seriously in the deliberations on this bill.

There is no doubt that the legislation provides for the deficit of a school board, incurred on a basis which could not have been avoided, to be assumed by all of the boards within Metro, as it is at present. That means any increase in potential cash requirements for boards occasioned by a seven per cent sales tax, for example, would be considered to be an unforeseeable and therefore approved deficit which would be assumed as a burden by all of the boards in Metropolitan Toronto.

However, if a deficit is incurred which could have been foreseen and avoided, it is obviously going to become the responsibility of that area board to ensure that the deficit is met through its own capabilities and not the capabilities of other boards.

One of the members has asked if we have any evidence that there had been that kind of action. I have to tell the members there has been very definite evidence of it. In 1979, the city of



North York incurred a deficit of approximately \$2 million and another one of about \$869,000 in 1980. In 1980, the Toronto board incurred a deficit of \$1.5 million and in 1981, one of \$1.6 million.

It is the strong feeling of all of the trustees, including Toronto trustees, that they should be responsible for their own deficits or surpluses. There is no doubt that is a feeling which is shared by many of the trustees in Toronto and I believe in all the other area boards. It is a matter which makes area boards more directly accountable to their taxpayers.

This Legislature does not own the school system, nor does the Ministry of Education or the trustees; the taxpayers own the school system. The responsibility of each one of us who has any kind of relationship on a day-to-day basis with the school system is to be as accountable as we possibly can be to those people who are providing all the dollars.

It was suggested by the member for Oakwood (Mr. Grande) that there was some kind of peculiar philosophy related to this piece of legislation. The philosophy which the legislation expresses at the request of a large number of very responsible trustees is that those who are responsible for education must provide the best possible programs for all of the children within their jurisdictions as effectively and as economically as possible.

We must realize there is no bottomless pit of money available within any areas of public responsibility anywhere. All the money that goes to provide for any system, especially the elementary and secondary educational system, comes from the taxpayers of this province. There has to be some way we can ensure that their money is spent as effectively as possible and that economies can be developed without damaging the educational program but hopefully enhancing it, for their benefit and the benefit of the children.

**9:20 p.m.**

There is no doubt that the input for this legislation came primarily from the boards involved in Metropolitan Toronto. After four or five years of attempting to struggle with what they found was an extremely difficult, almost impossible situation, they began to worry about whether they would be able to function effectively. They strongly requested that we introduce a piece of legislation that would ensure joint bargaining. Their original suggestion was that it would be by the Metro board—that is not a part of this act—and that there be a mecha-

nism to increase the responsibility of the local board to the local taxpayer.

We believe we have managed to achieve that in this legislation. As I said, there may be some refinements of language necessary. I have no doubt that may be so. The intent and purpose of this act is not to be vindictive to anyone or to be a detriment to educational programs. It is to try to help the boards in the Metropolitan Toronto area to provide an equality of educational opportunity that matches their responsibilities.

As I suggested last week when we began this debate, at the time the Metropolitan Toronto board was established there is no doubt in my mind there were major differences in the degree of responsibility for certain programs within the various area boards. That is becoming significantly less marked now as the problems of inner-city schools move to the suburbs in relatively large numbers and are finally recognized to be problems as we begin the implementation of Bill 82.

It has been suggested that this will interfere with Bill 82. Bill 82 is also a piece of legislation that I hope has precedence over any bargaining situation and that requires boards of education to assume responsibility for all exceptional children. There is no doubt in my mind that the boards of this province are moving in that direction with deliberation and with a good deal of commitment. I hope this piece of legislation or any other that has to do with bargaining would not impede the progress of Bill 82. I would find it damaging and disturbing if that were found to be so.

There is no doubt that a campaign has been mounted against this bill and I recognize the rationale for it. I recognize there is concern that this bill might become a pilot project or the thin edge of a wedge. It is neither of those things. There is no intent to move in that direction at all.

I would remind members that the purpose of the bill is to try to help a government structure to function effectively on behalf of its students and be responsible to the taxpayers who support it. That is a very rational foundation for any piece of legislation and I hope there would be a good deal of support for it.

We shall introduce three or four amendments which I hope will clarify some of the concerns that have been expressed during second reading. I hope all members of the House will see their way to supporting this bill vigorously for second reading so that it may go to committee for discussion.

**The Deputy Speaker:** Miss Stephenson has moved second reading of Bill 127, An Act to amend the Municipality of Metropolitan Toronto Act.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Vote stacked.

#### ASSESSMENT APPEALS PROCEDURE STATUTE LAW AMENDMENT ACT

Hon. Mr. McMurtry moved second reading of Bill 140, An Act to amend Certain Acts in respect of Assessment Appeal Procedures.

**Hon. Mr. McMurtry:** Mr. Speaker, I will be quite brief. This bill was introduced recently and I made a relatively lengthy statement on its introduction. It is basically to streamline in a fair and just manner the assessment review procedures, which have been subject to some major backlogs, to everybody's disadvantage, certainly all those who are affected.

As I said in opening, I am grateful to the member for Waterloo North (Mr. Epp) for the introduction of his private member's bill. This legislation has sought to incorporate most of the principles in the private member's bill. Basically, what we are doing is providing a procedure by which appeals from the assessment review court will go to a special branch of the Ontario Municipal Board. Upon leave, appeals can be made to the Divisional Court on matters related to law.

I should say at the outset that this does not prevent any affected person from bringing application to the county court or to the Supreme Court. It is quite separate and apart from the assessment appeal process.

I have one minor housekeeping amendment to introduce in committee of the whole House. I know the member for Waterloo North has an amendment in relation to whether or not there should be a requirement of leave to appeal. We have discussed this and we will discuss it during committee of the whole House. I hope this legislation will command the support of all members, because it is clearly in the interest of the property owners and taxpayers of the province.

**Mr. Epp:** Mr. Speaker, I am pleased to be able to speak on this bill. I have had an interest in this matter for some years since my days in municipal politics. I want to commend the Attorney General for bringing this bill forward. I think it is an excellent bill.

He wrote me a few months ago and said he was going to bring it forward this spring. I was hoping we would be able to get it through before the spring session came to a halt. It now appears that is going to be implemented and we are going to have this legislated as soon as possible.

I think it is particularly important that this bill should come forward because of the great backlog of cases. I see in this chamber a lot of members who have had municipal experience. I refer to my colleague the member for Windsor-Walkerville (Mr. Newman), the member for Parkdale (Mr. Ruprecht), the member for Haldimand-Norfolk (Mr. G. I. Miller), the member for Prescott-Russell (Mr. Boudria) and the member for Wentworth (Mr. Dean).

**The Deputy Speaker:** The member for Welland-Thorold.

**Mr. Epp:** Yes, I am sorry. I should not miss the member for Welland-Thorold (Mr. Swart). There is also the member for St. Catharines (Mr. Bradley). A lot of members here have had municipal experience. At the municipal level, they have heard a lot of complaints about the backlog of assessment cases.

I do not expect the procedure to be perfect. I do not think imperfect people can draft perfect law and perfect legislation, but I do think it is going to expedite a lot of the cases. I want to draw the members' attention to a release I put out on March 30, when I introduced my own bill which, as the Attorney General has said, is similar to this one.

I indicated at that time that in 1978 there were 125,000 complaints about assessments made to the assessment review court and that in September 1978 there was a backlog of 15,000 cases. In 1981, there was a backlog of 48,000 appeals before the courts. This year, there are expected to be somewhere between 160,000 and 165,000 cases, with 175,000 cases next year and probably a backlog not too dissimilar to the figure I indicated for 1981 of 48,000 cases by the month of October.

**9:30 p.m.**

If we go by past experience, we find that there have been a lot of people who have been held up in the courts for whatever reason. Section 86 was implemented whereby they are trying to equalize assessment within classes, which I think is now known as section 63 of the Assessment Act or something like that.

When I brought in my initial bill, which is a little different from the one that I reintroduced and different from the one that the Attorney



General introduced, I sent a flyer to all municipalities in Ontario and, as members know, there are some 800-plus. I got a number of letters back and, for the minister's interest, I just want to refer to a few of them. I am just trying to put into context the urgency with which a lot of municipalities felt there should be some kind of reform here, and that is why I am grateful to the Attorney General that he brought in this bill, because I think it is a good bill.

From the city of Toronto, for instance, the mayor wrote that the joint committee on property tax reform had looked at my bill: "The committee received your proposal and indicated its view that support should be given to new procedures which serve to simplify and rationalize the current appeal process." They were anxious to get some kind of procedure going whereby they could expedite it.

My own city of Waterloo replied, "Please be advised that at a meeting held on February 1, 1982, Waterloo city council approved the following resolution"—in essence supporting my private member's bill.

The same kind of reply was received from the county of Brant. The member was here just a few moments ago, but I guess he slipped out to see what was going on in the budget. He will appreciate that the county supported it.

The town of Niagara-on-the-Lake, the mayor of Hamilton and the city of Chatham supported it. I particularly wanted to point out that Chatham supported it, not because the former Treasurer comes from that area but because the president of the Association of Municipalities of Ontario comes from Chatham.

I received replies from Nanticoke and from Kapuskasing. The member for Cochrane North (Mr. Piché) was here just a few minutes ago, and I think he was a member of that council, perhaps mayor. The city of Thorold, the town of Ingersoll, the township of Oxford-on-Rideau and so forth replied. I had a considerable number of letters, certainly not half of them, but a good number, to impress upon me that other municipalities were very concerned about it.

I am very pleased with this and, as the Attorney General has indicated, we will be putting forth some amendments to this bill. I look forward to its implementation and to a great reduction in the number of outstanding appeals before the courts. I am not quite sure when the bill going through this House is going to take effect. I hope it is going to take effect later this year; if not, certainly no later than January 1, 1983.

**Mr. Swart:** Mr. Speaker, I suppose it is not often in this House that anybody in an opposition party rises to commend a cabinet minister, but I do want to commend the Attorney General for bringing in this amendment and the member for Waterloo North (Mr. Epp) for his private member's bill.

Generally, it would be fairly difficult to find areas of this bill to criticize. If there were only one, it would be that we wonder why this did not happen many years ago. I served many years on municipal council, and I served on the assessment review court. I remember at that time there was real concern among both municipal people on municipal council and the members of the court of revision about the appeals to the county court.

It seemed to me at that time that it would have been much more sensible to have gone to the Ontario Municipal Board. First, the county courts are not really set up to do this kind of thing. Second, there is a real reluctance on the part of the unsophisticated property owners to go to court. Over the years they have appeared before the Ontario Municipal Board and have grown to respect its independence and to feel that it is the place where they, as lay people, can make appeals that would be dealt with fairly and equitably. They do not have to have lawyers there, and the whole atmosphere seems to lend itself more to the ordinary person appealing. So this seems a very logical move, and I am glad to see this bill brought before us.

The changing of the name from "court" to "board" is perhaps insignificant, but it is realistic in that for many years it has been not a court of revision but really a board that sits to hear assessment appeals. So that change, too, is appropriate.

I would like to be assured by the Attorney General—I suspect this is the case, and if I need assurance it may be because I have not delved far enough into the Municipal Act—that in all the appeals that go to the councils for a rebate of taxes under section 496, I think, of the Assessment Act, there is the option of whether the council or a committee of council actually hears them or whether the assessment review court, which will now be the board, is appointed to hear them; but regardless of who hears those, I presume, and I hope the Attorney General will confirm this, that this will apply to all those appeals, whether they be appeals from the councils' decisions or appeals from the assessment review court.

Although we will be going into committee, I

would also like to hear the comments of the Attorney General when he replies to the amendment that has been put forward by the member for Waterloo North. I will be speaking on this later, so I am not going to take up any time on this, but it seems to me there should not have to be the lead for appeal; it should be automatic, as it is in so many other instances under this kind of appeal.

The final comment I want to make—and if I had made it first, Mr. Speaker, you would have ruled me out of order, because it does not really apply to this bill—is that it seems to me we have to take a look at the appeal procedure in the Assessment Act, perhaps, and institute some kind of class action there too, so that where a person has urea formaldehyde foam insulation, for example, and you get a ruling on it, the ruling would apply to everybody in that class rather than just the person who appeals. That seems a reasonable and logical step.

I find it rather easy to support the bill before us. As I say, the only question I might ask is why it was so long in coming before this House.

**Mr. Ruprecht:** Mr. Speaker, I too would like to congratulate the Attorney General on this bill and our member for Waterloo North. I would like very briefly to add my concern especially about what happened in the Toronto area.

I think this bill is very timely inasmuch as the Treasurer (Mr. F. S. Miller) and the Minister of Revenue (Mr. Ashe) have created so much confusion just recently in the Toronto area. I hope I can get some assurances from the Attorney General that the backlog in the city of Toronto especially will receive some very special consideration.

I will keep my remarks short by making the suggestion that he look into that.

9:40 p.m.

**Hon. Mr. McMurtry:** Mr. Speaker, I would like to reply briefly to the member for Welland-Thorold. There is no question but that these appeals will be treated in the same manner. His concerns should be laid to rest regardless of how they emanate from council.

I agree with the member for Parkdale (Mr. Ruprecht) that there is a very bad backlog in Toronto. That will have to be given special attention. It is one of the problem areas of the province.

Motion agreed to.

Ordered for committee of the whole House.  
House in committee of the whole.

## ASSESSMENT APPEALS PROCEDURE STATUTE LAW AMENDMENT ACT

Consideration of Bill 140, An Act to amend Certain Acts in respect of Assessment Appeal Procedures.

Section 1 agreed to.

On section 2:

**Mr. Chairman:** Mr. McMurtry moves that section 2 be amended by inserting, after “regulation” in the first line, “bylaw or instrument.”

**Hon. Mr. McMurtry:** Mr. Chairman, I have sent an explanatory note to opposition critics. If any further comment is required, I will be happy to make it.

**Mr. Epp:** As I understand it, it is strictly a technical amendment. We have no difficulty with it and will support it.

Motion agreed to.

Section 2, as amended, agreed to.

On section 3:

**Mr. Chairman:** Mr. Epp moves that section 47 of the Assessment Act, as set out in subsection 3(5) of the bill, be amended by adding thereto the following subsection:

“(6) An appeal lies without leave from the decision of the Ontario Municipal Board under this section to the divisional court on any question of law;”

And that subsection 47(6) as printed be renumbered as subsection 47(7).

**Mr. Epp:** Mr. Chairman, I put this amendment forward for a number of reasons. I have no difficulty with the bill, but one of the changes that has been made, making it different from the previous bill, is that previously one was able to appeal to the Divisional Court without first receiving leave from the divisional court. The present bill as introduced now requires that an applicant must receive leave.

I want to point out that since Confederation, questions of law and construction of statutes affecting a person's liability for municipal taxes have been subject to review as a right by section 96 judges appointed under the provisions of the British North America Act. It has been felt that recourse to such judges ought to be available as a right, and in my view that procedure should continue. It may be that provincial legislation preventing an automatic right of review of assessment matters by a Supreme Court judge is unconstitutional, being contrary to the division of powers under the British North America Act.

Second, assessments, as complicated taxing procedures, involve significant legal issues, which



in many cases can be interpreted only by judges. Very few cases have proceeded to the Divisional Court on appeal from the Ontario Municipal Board but, in each case that has, fundamental principles of assessment law have been determined.

Third, I have also found, as far as administrative law is concerned, administrative tribunals perform their function better when the possibility of review as a right is available to an aggrieved party. We know that people usually perform better when there are a number of safeguards to various issues; when somebody appeals the case and so forth, we generally find people make a greater effort to try to make the right decision.

I put it to the Attorney General (Mr. McMurtry) that this particular amendment, as well as some subsequent amendments, really deals with trying to give a right to the aggrieved parties that they currently have and that I and my party believe they should continue to have; that is, to have an appeal to the Divisional Court without first receiving leave.

**Mr. Swart:** Mr. Chairman, I think there is a matter of principle involved here. That principle is the right of a person, who feels there is a question of law with regard to the decision of the Ontario Municipal Board which should be settled by a Divisional Court, to go to that Divisional Court without having to get leave from the Ontario Municipal Board to go there. For that reason alone we will be supporting this amendment.

It is also true, as the member for Waterloo North (Mr. Epp) said, that it does put more responsibility on the Ontario Municipal Board when it knows that any question of law can be appealed automatically without having the board's leave to do so. I think the safeguard in it, so that it is not abused, is simply the cost of going to court. I doubt very much if people would be using the courts, with the costs that would be involved, unless they felt they had a just cause.

**Hon. Mr. McMurtry:** Mr. Chairman, I certainly have a great deal of sympathy with the motives behind this amendment. This was a matter that was considered very carefully in the drafting of the legislation.

I might point out to the members opposite that the Ontario Municipal Board has jurisdiction under a number of important public statutes, including the Conservation Authorities Act, the Municipal Affairs Act, the Pits and Quarries Control Act, the Planning Act, the Public Transportation and Highway Improve-

ment Act, the Municipal Elections Act and the Municipal Franchises Act, all of which are important pieces of legislation.

In relation to all these appeals, the Ontario Municipal Board Act provides the right to appeal to the Divisional Court on a question of law with leave. What we are doing in this legislation is just creating this degree of consistency.

**9:50 p.m.**

It should also be pointed out that quite apart from this legislation there is another procedure for determining questions of law. This is quite separate and apart from the assessment review board and the Ontario Municipal Board procedure for determining the proper value of property. Section 50 of the Assessment Act itself permits applications to be made to the county or Supreme Court for the determination of any question of law. That remains in force and is not affected by Bill 140. It means, in brief, an application to the court can be made even if proceedings have been taken before the assessment review board or OMB.

Our concern with requiring leave is first of all reflected in discussions we have had with the chief justice of the High Court regarding the possible work load and the risk of a number of frivolous appeals which will only prolong the process.

For example, in 1980-81, the OMB heard 401 assessment appeals but, as a result of removing the county court judges from the appeal process, it is anticipated that the OMB in future will hear between 10,000 and 12,000 appeals. This enormous increase raises the potential for corresponding increases in the number of appeals to the Divisional Court. There is a very serious backlog which we are concerned about, and we think requiring the leave will help avoid frivolous appeals which are often instituted just to delay the procedure.

I respect very much the views expressed by the members opposite, but we do believe that under this legislation, as drafted, there will still be that access to the courts for review of any matter of law.

Earlier, the member for Waterloo North and I discussed this and his proposed amendment, and I advised him that there was some considerable degree of interest in this issue on this side of the House. While we were not prepared to accept the amendment at this time, I gave him my personal undertaking that we would monitor the situation very closely and that next spring, if there was any evidence that this requirement of

leave was serving as an unreasonable impediment or obstacle or hurdle to the proper determination by the courts of any issues of law, we would review our position on this matter.

So, I repeat that while we are not prepared to accept the amendment at this time, we will monitor the situation closely and seriously consider an amendment of this nature if there is any evidence to indicate that the average citizen is deprived of reasonable access to the courts in these important matters.

**Mr. Swart:** After his explanation that section 50 of the Assessment Act permits this in any event, I would like to ask the Attorney General what the difference is between what is proposed here and that section of the act. I may have misinterpreted what he said, but if I interpreted it correctly, it seemed to me he said that in a question of law, anyone could now take it under assessment to the county court, and that is not affected by the section in Bill 140.

If that is the case, what would be the difference if this were passed? Would it just be that it would be more open, that more people would know it because it is in this particular act? What would be the difference? I would like an explanation on that.

**Hon. Mr. McMurtry:** Out of the 10,000 or 12,000 estimated appeals annually to the OMB, which will be appeals on questions of fact, possibly questions of law as well, it is our view that unless there is this leave procedure, the likelihood is that the Divisional Court is going to be swamped with a number of unmeritorious appeals.

It is true that at an earlier stage on a pure question of law there can be an application to the court, and we think there is a difference, given the fact that the 10,000 to 12,000 appeals that are heard by the Ontario Municipal Board are on both questions of law and fact.

We will monitor the situation. This is an important reform. I respect the submissions of the members opposite, but would simply state that at this time we prefer to proceed in the manner I have just stated. But we will certainly review it and monitor the situation closely in the ensuing months.

**The Deputy Chairman:** All those in favour of Mr. Epp's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

**The Deputy Chairman:** Any further amendments to section 3?

**Mr. Epp:** Mr. Chairman, I have further amendments, but they are all related to the same matter. Since that amendment was not passed I do not see any purpose in putting the others forth because, as I have indicated, they are related. Therefore, it would be inconsistent to try to get some through and not the others. As a result of that, I will withdraw the other amendments.

Section 3 agreed to.

Sections 4 to 9, inclusive, agreed to.

Bill 140, as amended, reported.

On motion by Hon. Mr. Gregory, the committee of the whole House reported one bill with a certain amendment.

### CORPORATIONS INFORMATION AMENDMENT ACT

Hon. Mr. Elgie moved second reading of Bill 5, An Act to amend the Corporations Information Act.

**Mr. Breithaupt:** Mr. Speaker, there are items in this bill relating to some particular house-keeping amendments. We certainly have no objections to them and are quite content to have the bill carry.

**Mr. Swart:** Mr. Speaker, the short bill that we have before us contains, as has already been said, housekeeping amendments. All three are desirable and we will support them.

Motion agreed to.

Ordered for third reading.

### TORONTO STOCK EXCHANGE ACT

Hon. Mr. Elgie moved second reading of Bill 21, An Act to revise the Toronto Stock Exchange Act.

**Hon. Mr. Elgie:** Mr. Speaker, this act which I introduced to the House some weeks ago will take the place of an act passed by the Legislature in 1968. Since then many changes and developments have occurred in corporate and securities legislation that are not reflected in the original bill. The act we are now considering will remedy this situation and will bring the Toronto Stock Exchange thoroughly up to date.

10 p.m.

Although the act will remain largely intact, the following amendments will enable the act to meet the needs and demands of the 1980s:

1. The board of governors of the exchange will be given authority to delegate its investigative and disciplinary functions to one or more



committees established by the board or to individuals.

2. The board of governors of the exchange will be given authority to hold its meetings by conference telephone, electronic and other communications facilities.

3. The powers of the exchange to hold property will be increased to assist in the planned relocation of the exchange to new quarters.

4. The object of the exchange, as set out in section 4 of the bill, has been revised to reflect the fact that securities, such as options, are now traded on the exchange in addition to stocks.

5. Provisions concerning the election of the chairman and vice-chairman of the board of governors and the appointment of the secretary and the treasurer of the exchange are included in the bill.

6. The exchange will be able to alter the size of the board of governors by bylaw.

7. Where in the public interest an order is made restricting or suspending the privileges of a member before a hearing is held, a hearing must be held within 15 days of the making of the order. Otherwise, the restriction or suspension expires 15 days after the making of the order.

**Mr. Breithaupt:** Mr. Speaker, we have the occasion this evening to put together a new piece of legislation with respect to the Toronto Stock Exchange. Certainly the amendments are quite routine, as set out in the explanatory notes.

I understand one of the major reasons this bill is before us is the necessity of having legislation in place before the construction and completion of the new quarters, so that the powers of the board with respect to the exchange will allow the holding of land and will deal with certain other difficulties and problems on title. The corporation requires that to benefit, and it seemed an opportune time to bring forward further amendments to update the act and, as a result, to have the variety of changes suggested over the past several years brought into one particular statute.

We will now have a new Toronto Stock Exchange Act. Certainly, the various component parts are satisfactory and we will support the bill.

**Mr. Swart:** Mr. Speaker, we, too, will support the new bill before us. In this party, we have some reservations about parts of the principles of the whole stock exchange process. We think they do not always react to the public good. But recognizing the necessity in our society for a

stock exchange of this kind, when we have it throughout the world, we will support this.

It does make some improvements. It is necessary for the purpose mentioned of its owning property, and there are some other improvements, such as broadening the exchange so it can deal in options as well as other types of securities, in addition to the stocks that can be traded at the present time.

There are two or three sections of the bill that would normally cause my party and me some concern, and I would like to have some comment on them from the minister when he gets up to reply. One of the things that bothers me is the matter of the quorum. The bill provides that a quorum shall be four members. Though we operate this House with a quorum of only about one sixth of the total members, in most institutions a quorum is in the neighbourhood of 50 per cent. But we could have a quorum which is only one quarter or one fifth. When there is the diversity of membership there, the public members and the members representing the corporations, it seems to me so small a number for a quorum is somewhat unsatisfactory. A larger quorum, out of a total of what could be 15 members, should be considered.

The second question I would like to put to the minister is this: What is the difference, if any, between the selection of the chairman and vice-chairman of the board of directors and that of the president of the corporation? He will notice that subsection 8(1) says, "The chairman and every vice-chairman of the board of directors shall be elected by the board of directors." Immediately underneath that it says, "(2) The president of the corporation shall be appointed by the board of directors." I would like to know what the difference will be in the selection, when the board of directors is going to select them in both instances but one is going to be appointed and the others are going to be elected.

Some of the responsibilities formerly held by the board are going to be referred to committees. I suspect that with the increase in the responsibilities it only makes sense to do that, and I would not object to that change.

I would also like to ask the minister why there has been a change in the terminology and perhaps the duties of the president. Section 9 of the new bill before us provides that "the president shall be the chief executive officer of the corporation." The former act provided that he should be not only the chief executive officer but also the chief administrative officer. I am

not sure whether it is just a change in terminology or whether we are now going to have another chief administrative officer, and I would be pleased if the minister would reply to that.

I notice that the bill provides for electronic meetings, if I can use that terminology, of the board and its committees. Once again this gives me some concern. When there is such a small quorum I think there is an even greater possibility of abuse if these meetings are held through electronic devices rather than by having the members themselves attend the meetings.

With satisfactory answers to those questions, we will be supporting this bill and moving no amendments to it.

**Hon. Mr. Elgie:** Mr. Speaker, I thank both members for their comments and for their support in the passage of this bill.

I might point out to the member for Welland-Thorold (Mr. Swart) with respect to the issue of a quorum that under clause 13(c) it says "that the bylaws of the corporation may, (iii) fix the quorum for meetings of the board at four or any larger number of directors as specified in the bylaws."

I think the important point to remember about the Toronto Stock Exchange is the very stringent control the Ontario Securities Commission has over not only certain aspects of the exchange and its functioning but also over its bylaws. Any proposal for bylaws with respect to a quorum is an issue that is taken before the securities commission, and if it deems it appropriate it may hold public hearings about it.

As far as I am aware, the securities commission has not felt it was an issue that the quorum was not appropriate, and it is not usual, as I understand it, to have a quorum that is even up to 50 per cent. So I do not think it is out of line with most of the quorums on organizations that I have been associated with, and in this particular one the securities commission reviews all bylaws with respect to matters such as that.

The second item the member raised related to section 8 and this particular one the securities commission reviews all bylaws with respect to matters such as that.

The second item the member raised related to section 8 and the manner in which the chairman, the vice-chairman and the president receive their titles and positions. As the member can appreciate, the chairman and the vice-chairman are already directors, and they are elected by the other directors to those positions. The president-to-be is not a member of the board of directors, so the board of directors

would select someone and then appoint that person to be the president.

**10:10 p.m.**

The House will see under subsection 8(3) who may and who may not be eligible for the position of president, and will see under subsection 8(4) that the president may be removed from office by a vote of two thirds of the board of directors. I hope there is no misunderstanding simply because of the difference in terminology. In one case they are members of the board of directors and in the other case it is someone who is not a member of the board of directors.

The final item relates to the issue of president. In this bill he will be called "chief executive officer," whereas in previous legislation he has been referred to as the administrative officer. However, their duties coincide exactly.

**Mr. Swart:** He is both chief executive officer and chief administrative officer.

**Hon. Mr. Elgie:** I think the member will find that practice is redundant and that the position of chief executive officer does, in this legislation, include the duties of the chief administrative officer. There will no longer be any appointment of an administrative officer.

I do have some other amendments that we could deal with in committee of the whole House. I hope members have received copies of them in advance.

Motion agreed to.

Ordered for committee of the whole House.

**Mr. Breithaupt:** Mr. Speaker, I wonder if I could suggest at this point that it might be convenient to call second reading of Bill 143, since we have to go into committee with the minister's amendments on that as well. We might be able to save some time.

**Mr. McClellan:** Mr. Speaker, we have the embarrassment of not having copies of Bill 143. We could proceed with Bill 120 and then come back to Bill 143. It would mean that we could probably get farther along tonight.

**Hon. Mr. Elgie:** Mr. Speaker, members of the third party have indicated to me they would wish to reserve some opportunity to review Bill 143 until tomorrow. I am willing to accede to that. Therefore, if we are going to proceed to another order of business it would be to the 23rd order, second reading of Bill 120.

**Mr. Speaker:** No, no. You have to announce it first.

**Hon. Mr. Elgie:** I would suggest we just



proceed with the Toronto Stock Exchange Act in committee, if we may.

**Assistant Clerk:** Do you want to go to another bill?

**Hon. Mr. Elgie:** No. I think we will proceed with committee of the whole House on this bill, please.

House in committee of the whole.

## TORONTO STOCK EXCHANGE ACT

Consideration of Bill 21, An Act to revise the Toronto Stock Exchange Act.

Sections 1 to 5, inclusive, agreed to.

On section 6:

**The Acting Chairman (Mr. Dean):** Mr. Elgie moves that clause 6(1)(b) of the bill be struck out and that the following be substituted therefor:

"Two public directors or where the bylaws so provide up to four public directors."

**Mr. Breithaupt:** Mr. Chairman, what is the membership of the board of directors or governors at this time?

**Hon. Mr. Elgie:** There are at present 13 governors, two of whom are public governors. There is some talk that perhaps there should be a greater number of public governors to allow for that flexibility in the future. It has been my view that we should allow the possibility of increasing it up to four.

Motion agreed to.

Section 6, as amended, agreed to.

On section 7:

**The Acting Chairman:** Mr. Elgie moves that subsection 7(4) of the bill be amended by striking out the phrase "the president of the corporation" in the third and fourth lines and inserting in lieu thereof "a nominating committee constituted in accordance with the bylaws and chaired by the president of the corporation."

Motion agreed to.

Section 7, as amended, agreed to.

Sections 8 and 9 agreed to.

On section 10:

**The Acting Chairman:** Mr. Elgie moves that subsection 10(2) of the bill be amended by striking out "a member" in the third line and inserting in lieu thereof "any person or company of a class referred to in the bylaw".

Section 10, as amended, agreed to.

Section 11 agreed to.

On section 12:

**The Acting Chairman:** Mr. Elgie moves that section 12 of the bill be struck out and the following substituted therefor:

"12. The corporation may acquire by purchase, lease or otherwise, and may hold for any period of time any land or interest therein whether or not such land or interest is necessary for its actual use or occupation, or for carrying on its undertaking, and may sell, charge, lease or otherwise deal with or dispose of such land or any interest therein."

Motion agreed to.

Section 12, as amended, agreed to.

On section 13:

**The Acting Chairman:** Mr. Elgie moves that section 13 of the bill be amended by inserting after "131" in the first line the number "275."

Motion agreed to.

Section 13, as amended, agreed to.

Sections 14 to 17, inclusive, agreed to.

Bill 21, as amended, reported.

On motion by Hon. Mr. Gregory, the committee of the whole House reported one bill with certain amendments.

**10:30 p.m.**

## MUNICIPALITY OF METROPOLITAN TORONTO AMENDMENT ACT (concluded)

The House divided on Hon. Miss Stephenson's motion for second reading of Bill 127, an Act to amend the Municipality of Metropolitan Toronto Act, which was agreed to on the following vote:

### Ayes

Andrewes, Ashe, Baetz, Barlow, Bernier, Birch, Brandt, Cousens, Cureatz, Dean, Drea, Eaton, Elgie, Eves, Gillies, Gordon, Gregory, Grossman, Harris, Havrot, Henderson, Hennessy, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Kerr, Kolyn, Lane, Leluk, MacQuarrie, McCaffrey, McCague, McLean;

McMurtry, McNeil, Mitchell, Norton, Piché, Pollock, Pope, Ramsay, Robinson, Rotenberg, Runciman, Scrivener, Sheppard, Snow, Stephenson, B. M., Sterling, Stevenson, K. R., Taylor, G. W., Taylor, J. A., Timbrell, Treleaven, Villeneuve, Walker, Watson, Welch, Williams, Wiseman.

### Nays

Allen, Boudria, Bradley, Breaugh, Breithaupt,

Bryden, Charlton, Conway, Cooke, Copps, Cunningham, Di Santo, Eakins, Edighoffer, Elston, Epp, Grande, Kerrio, Laughren, MacDonald, Mackenzie, Martel;

McClellan, McGuigan, McKessock, Miller, G. I., Newman, Nixon, O'Neil, Peterson, Philip, Reid, T. P., Renwick, Riddell, Roy, Ruprecht,

Ruston, Samis, Shymko, Swart, Van Horne, Wildman, Wrye.

Ayes 62; nays 43.

Ordered for standing committee on general government.

The House adjourned at 10:35 p.m.

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 Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)  
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Ontario, *LEGISLATIVE ASSEMBLY*

No. 92

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Tuesday, June 29, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Tuesday, June 29, 1982

The House met at 2 p.m.

Prayers.

**Mr. Boudria:** On a point of privilege, Mr. Speaker—

**Mr. Speaker:** Just before I recognize you, may I raise a point of my own?

## WITHDRAWAL OF UNPARLIAMENTARY LANGUAGE

**Mr. Speaker:** Yesterday the member for Rainy River (Mr. T. P. Reid) said the Treasurer (Mr. F. S. Miller) had misled the House. I would ask him to withdraw those remarks, please.

**Mr. T. P. Reid:** Mr. Speaker, I was going to rise on a point of order and one that may be, as well, a point of privilege in regard to this very matter.

I would draw your attention to page 138, chapter 10, of the 18th edition of Erskine May—

**Mr. Speaker:** Order. I have asked the honourable member to withdraw the remarks, which were totally out of order.

**Mr. Peterson:** Hear him out on the point of order.

**Mr. Speaker:** I will listen to him, yes, but first I would ask him to withdraw those remarks.

**Mr. T. P. Reid:** Mr. Speaker, as you know, I have on occasion stood in my place and asked other members to withdraw similar words because they do offend, presumably, dignity and honour in this Legislature.

However, I find myself drawing to your attention page 138 of Erskine May, under the heading, "Misconduct of Members or Officers of Either House as Such," and in smaller letters, "Deliberately Misleading the House."

It says: "The House may treat the making of a deliberately misleading statement as a contempt."

"In 1963, the House resolved that, in making a personal statement which contained words which he later admitted not to be true, a former member had been guilty of a grave contempt."

For those who are interested in such arcane things, that was the John Profumo case.

I submit to the members that on three occasions yesterday the Treasurer, perhaps inadvertently, although I find it difficult to understand how it could be inadvertent, gave this House and the

standing committee on resources development misleading information. He may not have done it deliberately, but what he told us was not correct.

In the resources development committee, the Treasurer, in trying to defend his expansion of the retail sales tax, said: "We did not move in the area of personal income tax. This tax had been increased in the 1980 budget but, more importantly, the federal budget had thrown a cloud of confusion and uncertainty around it."

In the 1981 budget of this same Treasurer, he said: "I am proposing that Ontario's rate of personal income tax be increased from 44 per cent of basic federal tax to 48 per cent . . . The effective tax rate for the 1981 taxation year will be 46 per cent." He went on to say that in the taxation year of 1982 that would go to 48 per cent of the federal base.

Obviously the Treasurer did do something about the personal income tax this year. It is almost as if he is recommending retroactive virginity because he did do it with his *ad valorem* personal income tax raise last year.

I will not dwell on the fact that yesterday, on the second point, the Treasurer stated in this House, and it is in the Instant Hansard, "Even the polls would tell me that I should not do it." He was referring to the expansion of the retail sales tax. "There were no polls telling me to broaden the sales tax base, and the Leader of the Opposition knows it."

Mr. Speaker, I raised with you yesterday the fact that we have a copy of the Goldfarb poll taken by the Ministry of Treasury and Economics in 1980, about six months before the suggestion in the 1981 budget that the retail sales tax base would be expanded. Again, it is a clear contradiction and the facts are evident.

This is the third and last point: Yesterday during oral questions the Treasurer said in response to my leader, "I would suggest that it was never the spirit nor intent of taxing purchased meals in a restaurant to charge people who are in their own residence."

In the retail sales tax branch information bulletin dated May 13, 1982, which may be a date he will recall since it is the day the budget came out, it says: "Where any of the above

establishments sell prepared food products through a cafeteria, vending machine, etc., tax applies. Schools and universities that charge for prepared food products at the beginning of the term are required to collect seven per cent retail sales tax on such amounts."

I appreciate the Treasurer is in disarray and is in confusion looking for a way out to save face, but I suggest the facts as I have stated them are on the public record, and the Treasurer has a responsibility to rise in his place, say that he was wrong and apologize for misleading the Legislature.

**2:10 p.m.**

**Mr. Speaker:** Interesting as all that may be, it is rather irrelevant to the request I have made because the language you have used in this House is just not acceptable by anybody—

**Mr. Roy:** He did not say "deliberately misleading," just "misleading."

**Mr. Speaker:** It does not really matter. I am not going to accept it, and I will ask him to withdraw it.

**Mr. Roy:** The precedent. Mr. Speaker—

**Mr. Speaker:** Order. There is nothing to discuss.

**Mr. Roy:** There is.

**Mr. Speaker:** Order, order.

**Mr. Roy:** You're not prepared to listen.

**Mr. Speaker:** The member for Rainy River.

**Mr. T. P. Reid:** Mr. Speaker, as I said, I have entreated other honourable members to withdraw those words. I withdraw them, sir, but I can tell you I am most distressed. I am very upset about the integrity in this place when the Treasurer can make statements like this that are patently untrue and they stand on the public record, not once, not twice, but three times in one day. I suggest we have to find a remedy for this or the integrity and the honesty of all of us are impugned.

**Mr. Speaker:** We have been over this many times. I will tell all honourable members that the Speaker is not going to be put into the position of making a judgement. It is not my role and it is not my responsibility. Members know as well as I that it is the responsibility of the House. There are measures to be employed if the House desires to use them.

**Mr. Nixon:** Mr. Speaker, when a situation like this occurs, the Treasurer has some responsibility to respond. I can see there is not much you

can do about it, but the man is sitting here in the House.

**Mr. Speaker:** Again, it is not for me to be put into the position of judging.

**Mr. Roy:** Mr. Speaker, what do you make of standing order 19(d)10 which states clearly that a member shall be called to order by the Speaker if he "charges another member with uttering a deliberate falsehood." My colleague has said repeatedly that he did not accuse the minister of deliberately misleading the House. He said it could have been inadvertent or otherwise.

It has been my impression that consistently in the federal House the word "misleading" is used, but it is when it is used with the word "deliberately" that it becomes offensive and against the rules of debate. Do we have a different level of "misleading" here than in the federal House or are we going to be consistent and try to follow subsection 10 of the standing order?

**Mr. Speaker:** We are going to be consistent here. We are going to follow our standing orders. If I may, I refer all honourable members to the transcript of the remarks that were made yesterday. There is no doubt in my mind and there is no doubt in the recording of the remarks what the honourable member said.

**Mr. Roy:** Did he say "deliberate"?

**Mr. Speaker:** He does not have to. He said "misled" and that is it.

**Hon. F. S. Miller:** Mr. Speaker, for the sake of the record, and I appreciate my colleague withdrawing his comments, the effective rate of income tax effective July 1, 1981, was 48 per cent. The polls he referred to were 1980 polls. We were discussing the 1982 budget. There is no question that the bulletin issued by the Ministry of Labour on May 13, 1982, talked about those meals. Many bulletins that are rushed out have been adjusted in the past the moment—

**Mr. T. P. Reid:** We all know what you're doing.

**Hon. F. S. Miller:** Just a second. The members have asked me to listen to reasoned argument. I have listened to reasoned argument. I thought the arguments made in favour of residences, which I was unaware of, and I said that, were reasonable. They were not within the spirit and intent; therefore, they were changed. Members cannot have it both ways. They cannot ask me to listen to reason and then claim that I am misleading the House.



## TRANSLATION SERVICES

**Mr. Boudria:** Mr. Speaker, I rise on a point of privilege: This affects not only my privileges as a member but those of all Franco-Ontarians. It concerns again the translation services offered to members of the Legislature and the public service.

Today I telephoned the Social Assistance Review Board of this province and was told a decision of that board made on April 15 has not yet been published because translation services are not available in order to inform my constituents of the results of that hearing.

Apparently there has been a delay of some three weeks because they cannot get this translation. I was informed of this by the office of the Social Assistance Review Board today and I certainly would want the government to make comments on that point of privilege because it does affect us all.

**Mr. Speaker:** I think that would be better dealt with at the appropriate time when you may ask a question of the minister responsible.

## STATEMENT BY THE MINISTRY

### FEDERAL BUDGET

**Hon. Mr. Davis:** Mr. Speaker I have a very brief observation to make prior to tomorrow's meeting in Ottawa. It is not my intent to comment in any depth on the budget of last evening. I think it was clear to all of those who were watching or listening that the document last night had, in fairness, some strengths and some very obvious weaknesses.

From our perspective, much of our concern relates to the very broad and all-encompassing nature of the economic challenge that faces the citizens of not just any single province, but quite frankly, of all of this country.

In some respects last night's document was not insensitive to some of those challenges but there were also some serious structural issues that will have to be addressed tomorrow. It will be my intent tomorrow to represent this province from the standpoint that I think people are looking for leadership from their governments, leadership that at this moment in our history sets aside partisan distinction, and a degree of leadership that will make economic stability an absolute priority, that must be pursued through all reasonable measures and initiatives consistent with the order and confidence that is essential to sustain economic recovery, and that with social harmony.

I will also be suggesting that perhaps not all of

the issues have been put on the table by the government of our country. There may be some that could be reviewed seriously tomorrow by all of those who have the duty of governing in this country so that we are all apprised of the opportunities for joint action that we cannot and must not ignore.

My concern about separating out just the public sector remains. My concern for across-the-board equity that addresses issues like costs and prices, has not evaporated. My concerns about the serious debt situation crippling really all of the players in the economy of the country, together with the need to replace that debt with new equity and the lack of any global response in the budget to the equity-debt issue, remain priorities for us.

Not to maximize the situation, I think it would be foolish of us not to face up to the fact that we are experiencing something that can be described as more than passing difficulty. What is required is some clear and resolute leadership. I think tomorrow's discussions will determine, to a certain extent at least, how our country will come to grips with the present situation.

Being as objective as one must be in this position—although the temptation to be less than objective is very great—the budget last night could have been worse in some respects, but in terms of deficit, in terms of broad economic stability and the factor of confidence that I must confess I have been referring to for some weeks now, the budget of last evening could have been substantially better.

The Treasurer (Mr. F. S. Miller) and other ministers of the crown are evaluating in a particular sense the details and the detailed implications of last evening's budget and they will continue to do so. We will make our judgement on the merit of each proposal and we will ask our colleagues in other parts of this country to do the same. Once the government of this province makes that assessment and determines the results of the discussions tomorrow, which I hope will be done in some meaningful national sort of consensus, I will take the members of this House into our full confidence.

**2:20 p.m.**

I say most sincerely to the members opposite, the gravity of what our country faces at this moment requires that all of us set aside our natural historical instincts, recriminations and opportunities to assess responsibility and blame. It would be very easy for me and for the Treasurer to follow that route, but I think that

sort of backbiting and bickering should be set aside for another time and another place.

The economic recovery we so earnestly seek will have to be earned. Our assessment is that there is no quick or easy solution. But we also believe, and I have said this on many occasions, there can be progress, there can be compassion and there can be economic opportunity for all Canadians, if we do it right. Doing it right requires, above all, a clear sense of the reality and a will to ensure fairness and balance in what we do.

Those, generally, are the perspectives or the points of view that I shall be bringing to the deliberations in Ottawa, which I believe start at 10 o'clock tomorrow morning.

## ORAL QUESTIONS

### WAGE CONTROLS

**Mr. Peterson:** Mr. Speaker, through you to the Premier: I am sure those words will be very helpful in the discussions which he is having in Ottawa tomorrow.

Do I interpret from his remarks today supporting his call for clear and resolute leadership by all the Premiers and all across this country, that he is in favour of controls in the private sector as well? Would the Premier indicate his opinion on this, since I would find that difficult to understand when he has indicated publicly he is not very happy about public sector wage controls? What will be his position, understanding that he wants to be clear and resolute in those meetings tomorrow?

**Hon. Mr. Davis:** Mr. Speaker, I would only say to the Leader of the Opposition what I believe and that the items I wish to raise—and I seek his understanding—will be those matters I will put before the other first ministers starting at 10 o'clock tomorrow.

**Mr. Peterson:** I am sure that will be very helpful, Mr. Speaker.

The Premier is calling for nonpartisan contributions to this discussion. He said that it is so very easy for him to criticize the federal government. I want to assure him that it is awfully easy for us to criticize the provincial government as well.

If he takes that position forward and decides to support controls, would he make sure that they are rateably and fairly applied, so that those at the lower end of the income scale have a greater advantage than those at the upper end of the income scale? In that case he will not be restricting to a six per cent increase a person

who makes \$15,000, for example, at the same time that he is asking the employee in the public service who earns \$75,000 or \$100,000 to accept six per cent. Would he support that kind of equity and fairness?

Would he at the same time in his discussions with his confreres take forward to Ottawa the position that he has to do his share here in Ontario to control the prices of the things he is responsible for, particularly Ontario Hydro, which should be held at the six per cent level this year?

**Hon. Mr. Davis:** Mr. Speaker, I think the Leader of the Opposition was asking a series of questions, actually. I can only say to him that he was very close to provoking me in his observations about his own position vis-à-vis his federal party, and the utterances by the member for Wentworth North (Mr. Cunningham) and others in light of—

**Mr. Peterson:** Go ahead.

**Hon. Mr. Davis:** I have to tell the Leader of the Opposition I think it is pretty picayune. I think it is a very illegitimate excuse for his lack of success in Hamilton West to be blaming somebody other than himself and his own lack of party policy. Quite frankly, I think it is very cheap politics, and I have no hesitation in saying so.

Interjections.

**Mr. Speaker:** Order.

**Hon. Mr. Davis:** You people who are trying to dissociate yourselves: I tell you, it does not work in the long run. We all saw them sitting next door—

Interjections.

**Mr. Speaker:** Order. Now to the question, please.

**Hon. Mr. Davis:** I have never referred to our national party or our national leader as being a millstone around my neck. The Leader of the Opposition ought to be ashamed. I was on the hustings with John Diefenbaker, Bob Stanfield and Joe Clark, and I will be there again.

Interjections.

**Mr. Speaker:** Order.

**Hon. Mr. Davis:** And you are embarrassed.

**Mr. T. P. Reid:** Two points of order, Mr. Speaker: The Premier obviously is not answering the question; and second, can you explain—

**Mr. Speaker:** That is not a point of order.

**Mr. T. P. Reid:** Can you explain to me, Mr.



Speaker, why Joe Clark calls Bill Davis "Brutus Bill"?

**Hon. Mr. Davis:** Mr. Speaker, in answer to the supplementary, probably for the same reason that Herb Gray, who sat beside the member's new leader at their convention, is now wondering why in heaven's name he gave him his support. And what does his brother—I mean, the member for Rainy River is talking about close relatives; he should not raise that question with me. What does he think the other Peterson in public life in this country is thinking today? What about the other Reid?

Who is Brutus? I would say the member for Rainy River is Brutus.

Interjections.

**Mr. Speaker:** Order. The member for Hamilton East.

Interjection.

**Mr. Speaker:** Well, I think we will hear the supplementary from the member for Hamilton East.

Interjections.

**Mr. Speaker:** Order. I would just remind the honourable members that the clock is running.

**Mr. Mackenzie:** Mr. Speaker, if we can cut through the barracking from my right, I would like to ask the Premier what I think is the serious basic question. Given his rather firm position against penalizing the ordinary workers of Ontario and the public service workers stated as recently as January 26 this year, is he not prepared to maintain in the first ministers' meeting tomorrow the fairness of Ontario's position in ensuring that the public service workers, at six per cent and five per cent, are not going to be bearing the brunt of the battle against inflation and the restraint battle in this country?

**Hon. Mr. Davis:** Mr. Speaker, the honourable member asks a question in which, in general terms, I must differentiate between my own feelings and what ultimately emerges from the federal budget. I made the observation about singling out "the public sector," I think, last January; my point of view on that as a matter of personal approach has not altered. I am also sure the member sensed in the Treasurer's budget something that obviously escaped the Leader of the Opposition: that by limiting members of this House—with the members' consent, obviously—together with the senior public service we did recognize, even though he missed it, the fact that we had addressed the people at the higher income levels. I know it is

not hard for the Leader of the Opposition to ignore something as simple as that.

In answer to the member for Hamilton East, I would also point out that while the Leader of the Opposition—and I know the member is interested in this, as is the member for York South (Mr. MacDonald)—knows the very complex nature of saying to Ontario Hydro, "You will have to limit your rate increase," the alternative to that is to go out into the market, which means, as a result of the close to \$20-billion deficit announced last night, the government of Canada is going to be into the market with both feet, making it extremely difficult for those other agencies to get money in that marketplace.

I know the member for York South will understand that.

2:30 p.m.

**Mr. Peterson:** I certainly understand how the Premier feels uncomfortable taking the high road. But given the fact he has not taken a definite stand on a federal budget since the Crosbie budget, would he be prepared to tell us now what his view will be? Is he saying again to my friend the member for Hamilton East that he is now going to be suggesting private sector wage controls as well? Is that his position?

I understand he has these very strong feelings, but what is going to be his position? If he goes along with controls, will he support a sliding scale right across the board as well as price restraints?

**Hon. Mr. Davis:** I know the Leader of the Opposition likes to take the odd low blow. I would only say to him, sure I find it difficult on occasion not to be partisan, but I have learned how to do it. It is something that even in his limited time he should also have learned. It is about time he attempted to take the high road on the odd occasion. I have already answered his question.

#### RETAIL SALES TAX

**Mr. Peterson:** Mr. Speaker, I have a new question for the Treasurer. It appears, as a result of last night's budget and the partial indexation of personal income tax, the province of Ontario will receive a windfall, unanticipated in his budget, of some \$100 million.

Given that, would he use that \$100 million or so to withdraw some of the regressive taxes he put in through the Retail Sales Tax Act? For example, with \$100 million he could withdraw the tax on prepared food under \$6.

**Hon. F. S. Miller:** Mr. Speaker, it may have escaped the Leader of the Opposition's attention that this change occurs in the next fiscal year, not this one. Therefore, it does not affect the revenues during this current year.

The fact remains that in this current year I have had notified change involving a reduction of \$290 million, but also a retroactive change in established programs financing transfers of close to \$200 million because, I am told, of an alleged overpayment in a previous fiscal year. I would suggest that the loss of \$490 million of hoped-for revenue from the federal side has had a serious effect upon my revenues.

**Mr. Peterson:** The Treasurer has a lot of bureaucrats who figure these things out. Sometimes he gets overpayments; sometimes there have been underpayments. There have been times in the past when he has had gratuitous windfalls from Ottawa; their calculations were different because there is a lag. I understand that and so does he.

But the reality is he should have anticipated there would be a bookkeeping question. He has his own bureaucrats making these calculations and he should have been aware in factoring that into his own budget. He has known that for a couple of weeks anyway. The reality is he cannot hang his response on that argument. The reality is he is going to be getting more money from the federal government as a result of this and it gives him a perfectly legitimate opportunity to withdraw some of his regressive taxes and at least put them on the progressive tax system. Will he do it?

**Hon. F. S. Miller:** They are in the next fiscal year, not in this current fiscal year.

If I read the signs in the federal budget clearly—and I believe I am learning to read the somewhat oblique language used by Mr. MacEachen from time to time—he implied that not only would salaries be lower next year, at a six per cent and a five per cent rate, but the transfers to the provinces would be lower and probably at a six per cent rate also.

May I suggest to the member that until I have had an opportunity to find out if that is fact, I would be very unwise to be cutting my revenue sources.

**Mr. Foulds:** Mr. Speaker, will the Treasurer not at least make the commitment today that he will withdraw the sales tax on those essential items that are necessary simply for the carrying on of life, such as food, sanitary supplies and

groceries? Will he not withdraw at least that part of his sales tax?

**Hon. F. S. Miller:** Mr. Speaker, during the committee hearings we are having, I am sure it will be made abundantly clear to many of the members of the committee that a number of the items that were restored to tax this year, such as sanitary supplies, were taxed until 1974. I was not the originator of that tax.

**Mr. Sargent:** Mr. Speaker, regarding my leader's first question about the \$290-million shortfall, has the Treasurer ever thought that he has had a bellyful of the window into the oil business through Suncor? Why does he not peddle that, dump it on the market for half price, get his money back and try to do something for the people of Ontario right now?

**Hon. F. S. Miller:** Mr. Speaker, it strains my credibility to follow the first question into the second.

I think the honourable member will find there is a great deal of support for the presence of Ontario in that particularly sensitive business.

Currently there are slowdowns in the price increase in oil—in fact, there are reductions on the world markets—so it would seem the trend is already reversing.

One of my fears, and I am sure it is a fear of many of us here, is that we in Canada can be lulled into avoiding investment in megaprojects because there appears to be oil on the market, only to wake up tomorrow to find the chance has passed us by and we do not have enough to meet our industrial needs.

#### PERSONAL INCOME TAX INCREASE

**Mr. Cooke:** Mr. Speaker, I have a question for the Treasurer. Is the Treasurer aware that the combination of his budget and last night's federal budget will mean an additional cost of \$500 per year to the average family in this province?

If the Treasurer is aware of that, is he also aware of the implication this has for consumer buying power and therefore for job creation and the recovery of the economy in this province? To get our economy moving, is he prepared to roll back the personal income tax increase, the sales taxes and the Ontario health insurance plan premium increases?

**Hon. F. S. Miller:** Again, Mr. Speaker, my colleague has an infinite belief that if one does not pay his bills, one does not pay sooner or later.

I would suggest that we ran the deficit up as



far as prudent management would permit us this year. There is always a risk that revenues will not match our expectations at present because of the state of the economy.

Unlike the honourable member's party, I think even the Liberals will accept the fact that if we are spending money, either we have to raise it in the year we are spending it or we have to borrow to cover debts, which sooner or later means that future generations will pay. We have opted for a very careful balance between those two. A little less than 10 per cent of Ontario's spending will be borrowed this year, while 25 per cent of the federal government's spending will be borrowed this year.

**Mr. Cooke:** The Treasurer will be aware that, as has already been mentioned, the Liberal budget means a windfall of \$100 million to his government. In his last budget, the Treasurer came to the defence of the private sector and stated: "I am proposing that certain federal proposals not be paralleled in the Ontario corporate income tax system. With these actions, the province will forgo an estimated \$135 million in revenue in this fiscal year."

Will the Treasurer show the same consideration for Ontario families and not parallel the changes in the income tax system, thereby saving the people of this province some money?

**Hon. F. S. Miller:** The member is my critic. Does he not know I have no control over the federal personal income tax rules?

**Mr. Peterson:** Mr. Speaker, in his lecture to my friend the member for Windsor-Riverside, the Treasurer said either we have to tax for the money now or we have to borrow and pay it back ultimately. However, does the Treasurer's own performance in that area not ruin his credibility in view of the fact that he has borrowed close to \$18 billion from pension funds, including about \$10 billion from the Canada pension plan, and he has said he is not going to repay the \$10 billion he has borrowed? Does that not give everybody the impression that there is endless money out there?

**Hon. F. S. Miller:** Mr. Speaker, I find it somewhat difficult for the Leader of the Opposition, as a Liberal, to understand that his government in Ottawa can borrow 25 per cent of its spending and be responsible, and that we are at nine per cent and are not. What is the difference? His federal government has been totally irresponsible at 25 per cent.

Our deficit right now is fewer months' income in total than it was in Mr. Frost's time. It is half

as great right now as it was in Mr. Frost's time, and no one accused him of not being a good manager of this province. The present Premier (Mr. Davis) is a better one.

**2:40 p.m.**

**Mr. Cooke:** The Treasurer will be aware that because of last night's cutbacks in help to senior citizens in the six per cent increase on old age pensions, those senior citizens with an income of over \$6,351 will have their incomes reduced.

Are the Treasurer and his government prepared to stand firm on a commitment they state time and time again, that they care about senior citizens in this province, and are they willing to make up the difference that the federal Liberals are cutting back to these people in our province?

**Hon. F. S. Miller:** It takes a bit of time for us to go through the ways and means motions but, if I heard Mr. MacEachen accurately last night, he said that the old age security payments will be limited to a six per cent increase next year. He then had a paragraph, as I recall, which said, "However, recipients of the guaranteed income supplement will be fully indexed and would make up the difference." That, to me, would indicate that people who had no private source of income did not lose anything.

Ontario in turn has the guaranteed annual income supplement. Gains has been tied closely to GIS. I am not about to say what we will do at this point until we see the details of Mr. MacEachen's budget. I want to assure the member of one thing: we believe, and we believe senior citizens agree with us, that we have treated them fairly and equitably over the last few years.

## JOB CREATION

**Mr. Cooke:** Mr. Speaker, it is clear from last night's federal budget that the Liberals have abandoned this province and abandoned the manufacturing sector of our economy. The Treasurer must be aware that without new provincial programs the layoffs will continue, the plant closures will continue and the downturn in the economy will continue in this province.

Is the Treasurer now prepared to bring in new job creation programs and a long-term industrial strategy to turn around the problems in the manufacturing sector of this province?

**Hon. F. S. Miller:** Mr. Speaker, the Premier (Mr. Davis) said earlier that the temptation in these forums to attack each other on straight

political grounds is real. For me to stand up and say anything good about a federal budget is not my ilk or my nature. I have found it convenient and the member has found it convenient to find out what was wrong with it.

I suggest to him that self-fulfilling prophecy has a great deal of reality these days. If he goes around talking like that long enough and does not try to work to solve problems, he may find he has the very problems he is trying to help create. I do not know what kind of a party it is over there that would rather see people unemployed than work with the federal government to solve the problems, but they are it.

**Mr. Cooke:** How can the Treasurer get up and make a silly statement like that when last night's federal budget said nothing about the automobile sector, nothing about the steel industry, nothing about furniture, nothing about machinery, basically nothing about the manufacturing sector in this province? How can the Treasurer defend that and why will he not bring in programs to turn around the problems in that sector, because obviously the Liberals have abandoned the manufacturing sector?

**Hon. F. S. Miller:** The one part of the budget I found immediately reassuring, and felt they had perhaps even read mine to some degree, was they understood that one of the greatest needs in Canada, certainly in Ontario, was to create housing and the jobs that go with it. I am delighted to see them piggyback on the Ontario program and broaden the base somewhat.

I am sure the Minister of Municipal Affairs and Housing (Mr. Bennett) is looking at the implications of the federal program. I suggest that if \$5,000 helps sell some new houses, \$8,000 is going to help sell some more. Just about every job in that \$8,000 in those houses is in Ontario, be it the procurement of lumber, the purchase of new furniture for the house, the purchase of new appliances for the house, whatever; those are jobs that will be created here in Ontario and will put back to work people who in turn can buy cars.

**Mr. Sweeney:** Mr. Speaker, given that within the Treasurer's own budget the main provision to assist business was the two-year tax recess, and given that witnesses who have appeared before the committee with respect to sales tax have responded to him that the majority of businesses in this province are not worrying about whether they are going to pay tax or not but whether they are going to survive, is he prepared now to adjust his budget to do some-

thing to help the businesses in this province that are really struggling to survive, and not worry about whether they have to pay tax or not?

**Hon. F. S. Miller:** Mr. Speaker, I will be glad to look through Hansard but if the member could show me where the witnesses said that yesterday, I would appreciate it very much.

**Mr. Cooke:** The Treasurer may feel enthused about last night's budget and may feel there was some confidence put back into the business sector, but how can he support any part of a budget that does not address two central problems in the economy: high interest rates and the structural difficulties in the economy?

Will he go on record today—I asked him the question yesterday and I hope today he will give an answer—that his government at the first ministers' conference will say to the Prime Minister of this country that Gerald Bouey must lower the interest rates, and if he does not then he should be fired?

**Hon. F. S. Miller:** Again, the ideal world the member lives in does not exist on the outside. I wish he could start to understand it. If that is done unilaterally, the member knows darned well the money will flood out of this country and bring us down a lot faster. What was done and what has to be done is to bring inflation in this country to a level that justifies interest rates that are lower.

In the meantime, whether I like it or not, there are several interesting suggestions in the budget and several useful actions in the budget—actions that will help farmers in distress, actions that will help farmers who are expanding, actions that will help small businessmen who are expanding to get money at market less four per cent.

Those are steps that are only useful as a bridging mechanism until such time as the market comes down. Whether it comes down or not, I am afraid will depend mightily upon the wisdom of the federal government's application of its other programs.

**Hon. Mr. Ramsay:** Mr. Speaker, I have an answer to a question that was asked yesterday by the member for Sudbury East (Mr. Martel). I note he is not in the Legislature today. He will probably want to ask a supplementary to it, so with your permission I would defer the answer until tomorrow.

#### MINE SHUTDOWNS

**Mr. O'Neil:** Mr. Speaker, my question is to the Premier concerning the closing of the



Madawaska mine. As the Premier can likely see, today our galleries are full of people from the Bancroft area who have come up to meet with him at 4 p.m. They have been up here on two previous occasions and met with people from Ontario Hydro, the Minister of Energy (Mr. Welch) and the Minister of Natural Resources (Mr. Pope). They are looking for an answer as to whether or not they are going to be able to keep their mine open.

These people are here looking for the Premier's help. We have not had any questions from the New Democratic Party to support them. We have not had any questions from the government people, although I see that many of the members in the back row are wearing buttons. I would ask the Premier: If I send this button over to him would he wear it and would he also tell us what he proposes to do this afternoon to keep that mine open?

**Hon. Mr. Davis:** Mr. Speaker, if the honourable member would like to send the button over, I would be delighted to receive it. I would only point out to him, so that the very distinguished visitors in our gallery will not misunderstand, that while I appreciate the rhetoric by the member for Quinte (Mr. O'Neil) and the fact that he has asked a question, asking a question does not, by itself, indicate a solution.

The member for Hastings-Peterborough (Mr. Pollock), who has been constantly discussing this issue with the ministers and with me, has more than adequately represented the concern of his constituents. He may not shout as loudly as the member for Quinte but, believe it or not, he can be heard and is probably more effective.

**Mr. Cooke:** What is he suggesting? What is his solution?

**Mr. O'Neil:** Somebody has to shout for them.

**Mr. Sweeney:** Where is he? Let's hear it.

**Hon. Mr. Davis:** I really cannot hear the member's shouts over his leader's or the member for Kitchener-Wilmot's interjections. I wish he would discipline his own colleagues so I could more properly hear the observations he wishes to make.

**2:50 p.m.**

I have arranged to meet with the group from Bancroft. I personally met with some of them some weeks ago, a group headed by a number of very distinguished people including Father Maloney. I expect Father Maloney will be with them again today and I am meeting them at four o'clock. I cannot give the member any more information until that meeting takes place.

**Mr. Wrye:** Mr. Speaker, I want to ask the Premier a question that was put to me out front at about one o'clock today by one of the workers from the mine. It is a rather interesting question and I would like him to offer a response.

This worker wanted to know why this government would pay out unemployment benefits to hundreds of miners and, with the resultant spinoffs of unemployment in Bancroft and throughout the region, hundreds of thousands of dollars of additional unemployment benefits, rather than giving Madawaska Mines a reasonable chance to stay in business.

Why would the Premier not help the miners, when the dollar cost of doing nothing may be just as large as the cost of keeping Madawaska open? Why would he continue the hurt and not help these people when the dollar cost may be about the same?

**Hon. Mr. Davis:** Mr. Speaker, I wish it were as simple as that. I have every sympathy for the people from Bancroft. I know some of them. I have known Father Maloney probably as long as anyone in this House; perhaps longer.

I would say to the honourable member that we do not pay unemployment insurance. I am sure he knows that. This government does not pay out unemployment insurance, and I know the member made that very clear to him. I am sure he seized the opportunity to explain that.

I am also sure, knowing the constructive nature in which he approaches these issues, he seized the opportunity to explain to him the proposal by the Minister of Natural Resources whereby certain programs could be developed utilizing the payments from the Unemployment Insurance Commission to promote some job creation. I know he conveyed that message to him.

I would make it clear that we are not insensitive to the difficulties being experienced by the people of the Bancroft community. We know the problems that are being created. It does not minimize the difficulty that we have as a government, though, in resolving the issue. I make that very clear.

**Mr. Mackenzie:** Mr. Speaker, is the Premier prepared to share with the House the suggestions made by the member for Hastings-Peterborough to maintain the operation of Madawaska Mines, and if his solution is not a good one, is he prepared to use his influence with Ontario Hydro to see a further period of production to maintain that mine, given the current desperate situation for jobs in Ontario?

If that is not the option, then there should be a clear statement so that the people are not kept hanging on a string as to what is going to happen.

**Hon. Mr. Davis:** Mr. Speaker, I think in fairness the people in the Bancroft area should know as soon as possible just what could be done. Because they are here listening in advance of the discussions, I do not want to build any false expectations.

I have said to the representatives of the group, at the request of the member for Hastings-Peterborough, that I was more than prepared to meet with them and I shall do so. I cannot really speculate beyond that meeting at this point.

#### MUNICIPAL JOB CREATION PROGRAM

**Mr. Breaugh:** Mr. Speaker, I have a question for the Minister of Municipal Affairs and Housing. The minister is aware that the June 30 initial allocation date for the new program entitled the Ontario employment incentive program is near.

Is he aware that several municipalities are now preparing submissions for approval which are a long way away from the initially announced intentions to create jobs in a period of high unemployment and to accelerate the undertaking of repairs and renovations to public property? Is he aware of these proposals, such as those prepared by the city of London, and what is the attitude of his ministry towards proposals which may create some jobs but at the expense of existing jobs in municipalities?

**Hon. Mr. Bennett:** Mr. Speaker, I am aware of the fact that many municipalities are putting together submissions to the ministry, not only accepting the amount of money that has been allocated to each of their municipalities but indeed looking for considerably larger allocations, if possible.

I indicated in my note going out to the municipalities some weeks ago that whatever funds were not taken up by municipalities by the termination of the month of June would be reassigned to some of the others that had applied for them.

There are criteria established, which were announced in this House, as to how one qualifies for the money. One was to try to take as many people off the welfare rolls as possible; two was to have an impact on the unemployment insurance rolls; and three was to try to use up some of the student help when our young people have left places of education. Those were the criteria very clearly established. We

did not say, and I want to emphasize again, that the supervisory people could not be full-time employees of the particular municipality in which the project was being undertaken.

Some municipalities have made inquiries of us about re-employing under this program some employees who have been laid off. I made it clear to them, if they are bona-fide layoffs as a result of either lack of money of the municipality or lack of work under the budgeting program, then they could very well qualify under this program, but they are not to go into the process of discharging employees to bring others back off the welfare rolls or employment rolls to qualify for participation in the Ontario employment incentive program.

**Mr. Breaugh:** We are in agreement with the original stated intention, which was clearly to provide for and accelerate the undertaking of repairs or renovations to public property. We are in agreement, as everyone is, with trying to provide some new jobs. But, as the deadline gets closer, is the minister prepared to accept that this definition is broad enough to cover job classifications in social services departments, in personnel divisions and in clerks' departments, involving transferring files and material to Lektriever machines, microfilming of documentation, and doing an inventory and bibliographic review, an accounting system, and building repairs and maintenance for things like a public library?

Are those matters not obviously ones that are quite a distance away from the minister's original clear criteria? Are those matters he is prepared to deal with now, and to accept? What is he prepared to do to assist those municipalities such as the city of London which are asking their municipal employees to reopen their agreements to allow for this kind of integrated approach?

**Hon. Mr. Bennett:** I am not going to try to get into analysing London's application here this afternoon. Obviously I do not have it. But I would say very clearly to the members of this House that we set down the criteria. If they need it at the municipal level, they are eligible for the funding. If they do not, but if they can come in with some rationalization that they can use people within city hall—I think we have had this discussion with one or two others—we will not interfere with the union contracts.

It is not our intention to interfere with the union negotiations that have taken place in any municipality. But if they can use summer personnel or other personnel without interfering



with union contracts, they can be our guests in doing so as long as it is creating employment for those on welfare, unemployment and so on.

#### MEMBER'S QUESTIONNAIRE

**Mr. Van Horne:** Mr. Speaker, my question is to the Minister of Industry and Trade.

On June 16, he sent out a letter to some constituents in London South which read in part: "As you may know, I have been recently appointed Ontario's new Minister of Industry and Trade. Today I want to ask you what my priority should be in the months and years ahead." It then goes on to ask the readers to complete a questionnaire and to agree to serve on his special London South advisory board. "If you complete and return in the postage-paid envelope and join this invitation to my London South advisory board, I would be most pleased. I thank you on behalf of my wife, Harriet," etc.

I would ask, since this exercise is obviously a riding exercise rather than a ministry exercise, how the minister can justify using ministry letterhead, funds and staff for what is really a riding association exercise?

**Hon. Mr. Walker:** Mr. Speaker, it is not a riding exercise. Indeed, I intend to enlarge the number of people who would offer some advice to me on things they feel the province should do, and feel this ministry should do.

**Mr. Van Horne:** Included in the letter is this brief paragraph: "If you accept my invitation to join the board I will provide you with a special telephone number so that you may reach me, or a key member of my staff, if you want to discuss a particular topic of concern to you."

It strikes me that this is really an abuse of the telephone privileges we have. How can the minister justify that?

**Hon. Mr. Walker:** How can that be an abuse of telephone privileges if I allow not only constituents but also people from this province to get hold of me?

3 p.m.

#### EQUAL OPPORTUNITY

**Ms. Bryden:** Mr. Speaker, I have a question for the Premier.

**Mr. T. P. Reid:** This may be her last one.

Interjections.

**Mr. Speaker:** Order.

**Ms. Bryden:** Is the Premier considering the recommendation by Lynne Gordon, retiring head of the Ontario Status of Women Council,

that he should designate one minister in the cabinet to be responsible for women's issues so that there is someone in the cabinet who, as she says, "will not let the ball drop when we are fighting an issue; someone who will fight on our behalf on both the policy-making level and the implementation level"?

Will the Premier show he really has a commitment to equality of treatment and of opportunity for women by naming a cabinet minister to carry out this role?

**Mr. T. P. Reid:** Isn't it a bit of an ironic question, since the NDP is trying to get her to resign?

**Hon. Mr. Davis:** Mr. Speaker, I will not add anything to what the member for Rainy River is trying to say about the possible future of the member for Beaches-Woodbine (Ms. Bryden). Is it really her last question? I cannot believe that. I cannot believe she would let those men in that caucus persuade her to leave public life to let another man into this House. I hope she will seize the occasion to stand up and tell us it is not true, she will never let it happen, because we will all support that point of view.

**Mr. Foulds:** Very statesmanlike. Very statesmanlike.

**Hon. Mr. Davis:** Oh now, come on. My friend should not lose his sense of humour. He was in good humour on Saturday; he should not lose it today.

**Mr. Foulds:** Just answer the question.

**Hon. Mr. Davis:** There are a number of recommendations from Lynne Gordon. We will be reviewing all of them. The honourable member singled out a particular recommendation. I have not made my assessment of her recommendations yet. I shall be doing so. When the judgements are made, I will be delighted to convey those judgements or points of view to the member. I sincerely hope she is still here when I convey that information.

**Ms. Bryden:** I am glad the Premier finally did answer the question, but if he wants to facilitate the entry of our leader he could, of course, open one of his own seats.

Interjections.

**Mr. Speaker:** Order.

**Ms. Bryden:** Since Lynne Gordon expressed the view that most of the recommendations of the council are under "active consideration" by the government, can the Premier indicate which ones are likely to appear as legislation this session? Will he also accept Lynne Gordon's

two recommendations for making the council more effective; namely, that the chairperson be full-time and that the research budget be raised from the present paltry figure of \$15,000 so that the council could do a feasibility study on equal pay for work of equal value?

**Hon. Mr. Davis:** I would only prolong the discussions if I were to ask the member, when she wonders if we will accept the recommendation for a full-time chairperson, whether she is a candidate for that office. But I will not ask that.

I felt I had answered her question in the first instance. We are looking at all the recommendations. I cannot single out any particular ones. Quite obviously, there will be no changes before the spring session comes to a conclusion; I think the honourable member understands that. As to whether there will be something ready for the fall, if there are to be any changes that require legislation, I expect the fall is not that far away. I am not making any commitments, but we are taking it quite seriously. I told Lynne Gordon this at a rather pleasant farewell gathering just a few days ago.

I would also say to the member, if she wants to communicate to her leader, maybe the Minister of Government Services (Mr. Wiseman) would like a little recreation in Lanark county. Is that the county she had in mind?

### HOSPITAL SERVICES

**Ms. Copps:** Mr. Speaker, I have a question for the Minister of Health. Despite warnings by the Canadian Medical Association that premeditated rationing of health services may begin in the next few years, the minister continues to insist that health care in Ontario is not eroding.

Can the minister explain why last week in Hamilton, after Chedoke-McMaster Hospital was forced to close 35 beds as part of its summer cutback, a 73-year-old woman who had broken her hip was told by a doctor at emergency to go home without help because no bed was available in the city of Hamilton?

**Hon. Mr. Grossman:** Mr. Speaker, last Monday I was meeting with the Hamilton-Wentworth District Health Council in Hamilton while the member was lying on the beach in Florida no doubt exchanging—

**Ms. Copps:** I got a report.

Interjections.

**Hon. Mr. Grossman:** While I was exchanging information with the district health council with regard to—

Interjection.

**Hon. Mr. Grossman:** Does the member for St. Catharines (Mr. Bradley) not care about health care in Hamilton?

Interjection.

**Mr. Speaker:** Order.

**Hon. Mr. Grossman:** While I was chatting with the Hamilton-Wentworth District Health Council about the problem with beds in that area and the member was no doubt reviewing recent victory campaigns with General Galtieri in Miami, I did not hear a word—

**Mr. Kerrio:** She has some voters down there too, you know.

**Hon. Mr. Grossman:** It was a tough campaign. I think both the general and the Health critic needed a week's holiday. I notice that even in retrospect General Galtieri did better than the Health critic for the Liberal Party.

**An hon. member:** He only came second.

**Hon. Mr. Grossman:** That is right.

**Mr. Sargent:** Tell us about the hospital, not that.

**Hon. Mr. Grossman:** The member for Grey-Bruce should take off his sunglasses and say that.

Last Monday, I met with the Hamilton-Wentworth District Health Council. At that time I spent a good two to two and a half hours meeting with the representatives of the DHC. The hospitals are well represented on the DHC. I also spent another hour or an hour and a half meeting with the representatives of all the hospitals.

At no time did the people from any of the hospitals raise with me the problem of a shortage of beds in the Hamilton area. If later that week a doctor in a hospital in Hamilton sent a patient home for whatever reason—and we do not know the real reason that doctor sent that patient home—and attributed that to a decision by this government as opposed to a decision by the hospital or by the doctor in his professional capacity, then I must say this government cannot take responsibility for that. If there was a real problem, it should have been raised with me at the Hamilton-Wentworth DHC. That is what I was there for.

On Monday of last week, the Minister of Health had every reason to believe there was no problem in terms of numbers of beds in that area. Of course they indicated the pressures on the system, but they did not indicate they were unmanageable. They are manageable to the extent that doctors need to admit their patients



on an emergency or urgent basis. If that was not done in this case, I must say I find it improper and inappropriate for a doctor to be attributing that to a decision by the government of Ontario.

**3:10 p.m.**

The member well knows most hospitals in this province reduce the number of beds they have open during the summer, largely because of their desire to accommodate patient demands, since patients do not want elective surgery during the summer, but also because the medical staff, the nursing staff and other staff at the hospital want summer holidays like everyone else.

To attribute that to a government policy which has forced them to close down in the summer period indicates, with respect, that either the doctor who gave the member that information or perhaps she herself does not understand how all the hospitals in this province have worked out the situations to accommodate summer pressures, and lack of pressures in some instances.

**Ms. Copps:** Did it ever occur to the minister that he should be asking a few more questions of the district health council? While he was there having this fantastic discussion, this woman waited 26 hours to have her hip set.

I respectfully suggest that the jokes about General Galtieri and the Liberal election do not have anything to do with what happened to Jeannette Silver at Chedoke-McMaster Hospital. I want answers about Jeannette Silver.

The minister should be very aware, and if he is not I would like to know why he is not aware, that emergency patients in the city of Hamilton are being shifted from hospital to hospital oftentimes because intensive-care-unit beds are not available; ICU beds are full 25 per cent of the time.

It is a very serious question and it is one that should be addressed. When is he going to address it for the people of Hamilton and Ontario?

**Hon. Mr. Grossman:** I am delighted to hear that the ICU beds are not full 75 per cent of the time. May I also say that I am sure the member and her leader, who is very hep on physical constraint, would not want to see the system overbuilt so that anyone could wander in at any given time and find dozens of beds available at any given time. The situation in place in this province allows doctors—

**Ms. Copps:** A 73-year-old woman with a broken hip—

**Mr. Speaker:** Order.

**Hon. Mr. Grossman:** I will wait until the member is finished. I know the pressures that a long holiday can bring.

The member would not want, nor would she advocate, a system where our hospitals were operating at 60 per cent capacity or 50 per cent capacity. She quite properly would be castigating this government for having spent too much money on the system and having overbuilt the system.

What we try to do in conjunction with the district health councils is provide the number of beds in hospitals that are necessary to accommodate our patients. In point of fact, in this jurisdiction and in every jurisdiction, as the member knows well, it is up to the physicians and the hospitals to allocate those beds.

May I say on behalf of the physicians and administrators in Hamilton, that area happens to be blessed with one of the best co-ordinated systems in the province. They do an excellent job of co-ordinating their facilities in that area. It is a great credit to the people in the Hamilton-Wentworth area—the physicians, the hospitals and the district health council—that they have succeeded in doing that.

That only emphasizes the fact that if a particular patient had a problem in getting into a facility, then the member has mixed ICU up with someone with a hip problem, I think she said, or whatever—

**Ms. Copps:** She had a broken hip.

**Hon. Mr. Grossman:** The member need not get excited; let her listen to me.

**Ms. Copps:** I'm sure she was very excited.

**Hon. Mr. Grossman:** If the member is that perturbed about it, then I have to tell her that she should call up the College of Physicians and Surgeons of Ontario, because the patient's doctor had the obligation—not the opportunity or the privilege, but the obligation—to put her into a hospital; and the hospital had the obligation under the law, which I read out last week while the member was absent, to admit that patient if she was indeed an emergency or urgent case.

**Ms. Copps:** There were no beds.

**Hon. Mr. Grossman:** That is not a sufficient answer. With respect, I have to say to the Health critic, because her seatmate to her right asked me a similar question last Friday—I have to

repeat it, because she missed the answer, and I ask her to listen carefully.

The fact is that the hospital must admit anyone whom the doctor says is an emergency or urgent case and, in the case of urgent cases, within 24 hours.

If the member believes that a hospital broke the law or that a physician refused to indicate that someone was an emergency or urgent case, when that person was, then she should let us know and make that direct accusation about the hospital administrator or she should call the College of Physicians and Surgeons of Ontario with regard to the physician, because that is where the responsibility lies.

There are beds for all emergency and urgent cases in this province.

#### HAMILTON STREET RAILWAY DISPUTE

**Mr. Mackenzie:** Mr. Speaker, I have a question of the Minister of Labour. The minister may be aware of the strike that has tied up the Hamilton Street Railway Co. system and the city. Local 107 of the Amalgamated Transit Union has made the restrained and reasonable demand of a two per cent increase this year and two per cent next year, plus an additional two per cent for the tradesmen and mechanics. However, the issue the dispute is hung up on is the effort by the region to remove or reduce the benefits these workers have under their cost of living agreement. That seems to be the sole issue at stake in the strike. Is the minister aware of this?

**Hon. Mr. Ramsay:** Mr. Speaker, I am aware of the circumstances. In fact, the last thing I did before coming to this House today was to meet with Mr. Pathé and with Mr. Illing, the director of conciliation and mediation, who has been attempting over the past weeks to get these people back to a resumption of mediation.

**Mr. Mackenzie:** Is the minister himself participating in an effort to see that the citizens of Hamilton are not inconvenienced simply because of an effort to seriously cut back the wages won by these workers, which are not by any means at the top of the scale?

**Hon. Mr. Ramsay:** If the honourable member is asking if I have been in touch with the respective parties myself, the answer is no.

**Mr. Cunningham:** Mr. Speaker, is the minister aware that as a result of this strike hundreds of small businesses in the city are suffering and are laying people off because traffic throughout the city has become clogged, making it difficult

for people to get around? In view of this loss of jobs, will the minister get directly involved personally in this dispute to endeavour to bring it to a conclusion before any more bitterness develops in that dispute?

**Hon. Mr. Ramsay:** Mr. Speaker, I will certainly give that suggestion every consideration.

#### TRANSLATION SERVICES

**Mr. Boudria:** Mr. Speaker, I have a question for the Premier dealing with the case of Mr. Rhéal Beaudoin of Rockland, who appeared in front of the Social Assistance Review Board on April 15, 1982, and as of today has not received an answer from the board.

When I telephoned the board office today, I was told that the delay in answering my constituent was caused in part by the three-week period required for the translation of the answer. Does the Premier think such delays are reasonable, and what does he intend to do in this case?

**Hon. Mr. Davis:** Mr. Speaker, I understand the Minister of Government Services already has the answer to that question. If the honourable member would like the answer, I am sure the Minister of Government Services would be prepared to respond. Is that acceptable? I see the minister is ready.

**Mr. Boudria:** Yes. If that is a redirection, I would like to hear the answer.

3:20 p.m.

**Hon. Mr. Wiseman:** Mr. Speaker, I was going to rise on a point of personal privilege at the end of question period. I intended to rise when the member for Prescott-Russell brought the matter up earlier today, but I wanted to check it out to make sure my facts were right.

We checked back to April 1 on all French translations that have been asked for and found that our turnaround time has been five working days or less. In checking further, I asked for any translation requests for decisions of the Social Assistance Review Board. The last one we received was on June 7, and it was written and back out by June 14. Bearing in mind that there were two weekend days in there, we did have the turnaround time within the five days.

I think the honourable member may have said we were not up to our full complement. I checked with the director and we have our full complement in that division of my ministry at present. In the Ministry of Government Services we are giving good service to the people. I know the member would like to correct the



record and not have that lying over my staff's heads, when they have been doing their jobs.

**Mr. Boudria:** I wonder whether the minister will say what reason the secretary to the chairman of the Social Assistance Review Board would have for claiming it takes three weeks—they are not my words; they are hers—when the minister says it takes five days.

I am the first to admit that my own translations are coming in at a faster pace since I raised it in the House. But surely the minister or the Premier could tell us whether a three-week delay, as admitted to in this case by the secretary to the chairman of the board, is reasonable.

**Hon. Mr. Wiseman:** If the member will give me the particular case, I will check it out. I did check and every one is logged in. We went back to April 1. We did look at the last Social Assistance Review Board request for a translated decision. The last one we had a request for was on June 7 and it returned on June 14. If the member gives it to me, I will be glad to check it out.

**Mr. Speaker:** The time for oral questions has expired.

#### USE OF TIME IN QUESTION PERIOD

**Mr. Laughren:** Mr. Speaker, on a point of privilege: I wonder if the Speaker has noticed that since his admonition a week or so ago to members to restrict their questions and to make them more to the point, both oppositions parties have been attempting to do that, and I think with some success.

However, it is increasingly frustrating when you allow the ministers, and the Premier (Mr. Davis) in particular, to wander all over the map in their responses and take their political cheap shots, without addressing themselves to the questions that have been put to them most specifically. There is a lack of fairness—

**Mr. Speaker:** Order. The member for Nickel Belt is completely out of order. He knows as well as I do that according to the standing orders the ministers may or may not answer questions; they may answer questions in the manner which they choose. I am getting a little sick and tired of your impromptu remarks.

**Mr. McClellan:** Mr. Speaker, I rise on the point of order that my colleague the member for Nickel Belt (Mr. Laughren) raised a moment ago, specifically with reference to standing order 27(e), which states: "In putting an oral question, no argument or opinion is to be offered nor any facts stated, except so far as may

be necessary to explain the same . . ." The first point the member for Nickel Belt tried to put to you was that the opposition parties had been attempting to adhere to that portion of the standing orders.

The second point he was trying to make reads as follows: "... and in answering any such question, the member is not to debate the matter to which it refers." Mr. Speaker, that gives you the power to cut off the kind of extraneous material that pours forth from the Premier and Minister of Health (Mr. Grossman) and other principal offenders on the government side. We are simply asking you to enforce the standing orders of this House.

**Mr. Speaker:** I shall indeed, and I will be most happy to. I ask all honourable members on all sides of the House to take notice.

**Mr. Laughren:** Especially over there; that is where the problem is.

**Mr. Speaker:** Do not point the finger.

**Mr. Laughren:** I am; the problem is over there.

**Mr. Speaker:** That is your perception, and I am not going to debate it with you.

**Mr. Foulds:** Mr. Speaker, on the point of order: With great respect, I also draw to your attention standing order 19(d)2(i), which is very clear about your responsibility: "In debate, a member shall be called to order by the Speaker if he directs his speech to matters other than the question under discussion . . ."

I submit to you, with great respect, that on two occasions this afternoon—the Premier in his reply to my colleague the member for Beaches-Woodbine (Ms. Bryden), and the Minister of Health in his reply to the member for Hamilton Centre (Ms. Copps)—members directed their speech to matters other than the question under discussion. They did so at some great length while you sat idly in the chair, Mr. Speaker.

**Mr. Speaker:** It is very nice to have all this free advice and it is very nice to see the House is composed of so many experts. But I also point out to the honourable members that it is not a question of sitting idly by but a matter of using discretion, and I suggest again that all honourable members on all sides of the House, when placing questions and answering questions, take due notice of the standing orders.

**Mr. Roy:** But they are intimidating over there; don't let them do that.

**Mr. Speaker:** Who is intimidating whom?

**Mr. Roy:** We will back you up if they try to intimidate you. Those ministers try to throw their weight around.

## PETITIONS

### TAX ON MEALS

**Mr. Epp:** Mr. Speaker, I have a petition signed by about 400 people from my riding who express great concern about the sales tax placed on meals in restaurants. All these people are customers of the Wharf Restaurant.

I submit this in the hope that the Treasurer (Mr. F. S. Miller) will see the light and correct the great travesty he has imposed on the people of this province by putting an additional sales tax on these meals.

### TAX ON FEMININE HYGIENE PRODUCTS

**Mr. Epp:** I have another petition, Mr. Speaker. Last week I submitted a petition to the Deputy Premier (Mr. Welch), in the absence of the Treasurer, with respect to a tax on sanitary napkins, tampons and so forth. I have additional names here today that I would like to present with respect to that same petition.

### TAX ON CLOTHING REPAIRS

**Mr. Kerrio:** Mr. Speaker, I have a petition from a cleaning company in Niagara Falls that is a member of the Dry Cleaners and Launderers Institute (Ontario) and their customers. I would like to direct this to the minister. It reads as follows:

"The undersigned customers support their protest on the June 14 expansion of the Ontario provincial sales tax. It imposes this tax on charges for repairs and alterations to clothing by dry cleaners and launderers. We urge the Honourable Frank S. Miller, Treasurer of Ontario, to withdraw this application from his May 13, 1982, budget since it is unfair, inequitable, inflationary and an added hardship, especially on the elderly, the unemployed and the working poor."

**Ms. Bryden:** Mr. Speaker, I have a similar petition to the Treasurer regarding the extension of the retail sales tax to charges for repairs and alterations to clothing by dry cleaners and launderers. The petition was submitted to me by Jim's 2 Hour Cleaners, 991 Kingston Road, Toronto. He operates a dry cleaning establishment in my riding at this address.

The petition contains 48 names of his customers in my riding who are asking for the withdrawal of the retail sales tax extension to

charges for repairs and alterations to clothing by dry cleaners and launderers under the May 13, 1982, budget. They protest this extension of the retail sales tax on the grounds that it is "unfair, inequitable, inflationary and an added hardship, especially on the elderly, the unemployed and the working poor."

## MOTION

### STANDING COMMITTEE ON PUBLIC ACCOUNTS

Hon. Mr. Gregory moved that on behalf of the standing committee on public accounts, the member for Rainy River (Mr. T. P. Reid), chairman, and the members for Lakeshore (Mr. Kolin), St. Catharines (Mr. Bradley) and Algoma (Mr. Wildman) be authorized to travel to British Columbia the week of July 4, 1982.

Motion agreed to.

3:30 p.m.

## INTRODUCTION OF BILLS

### EMPIRE-BUILDING CONTROL ACT

Mr. T. P. Reid moved, seconded by Mr. Riddell, first reading of Bill 165, An Act to control Empire-Building in Government.

Motion agreed to.

**Mr. T. P. Reid:** Mr. Speaker, this bill provides for control of empire building in the public service or any of the agencies, boards or commissions of the Ontario government. It would apply to Ontario Hydro among other things, and to ombudsmen for instance, and deals with the expansion of their jurisdictions, the number of people on staff and their salaries.

It also provides there be 100 people set up with rather large salaries to enforce the Empire-Building Control Act. Actually, it does not, but it does provide for these matters to be reviewed by the standing committee on public accounts, which is already in existence and a fine committee it is.

### MINISTRY OF SCIENCE, TECHNOLOGY AND PRODUCTIVITY ACT

Mr. T. P. Reid moved, seconded by Mr. Riddell, first reading of Bill 166, An Act to establish the Ministry of Science, Technology and Productivity.

Motion agreed to.

**Mr. T. P. Reid:** Mr. Speaker, this follows one of the constructive recommendations I made in my budget reply which would set up a ministry of science, technology and productivity for



Ontario. I need not tell the members about the importance of these matters, not only to the present but particularly to the future of Ontario.

In this act, I had intended, because I do not want to set up any empires, also to have the act contain a provision to do away with the Provincial Secretariat for Resources Development, the Provincial Secretariat for Social Development and the Provincial Secretariat for Justice because I feel they really are not necessary and we can replace them with this most-needed, most-required and most-constructive ministry.

#### ANSWERS TO QUESTIONS ON NOTICE PAPER

**Hon. Mr. Gregory:** Mr. Speaker, I am tabling the answers to questions 131, 153, 155, 156, 158, 178, 179, 198, 204, 205, 209, 213, 215, 222 and 224 on the Notice Paper [see Hansard for Wednesday, June 30].

#### RESPONSE TO WRITTEN QUESTIONS

**Mr. Wrye:** Mr. Speaker, on a point of order: Now that the acting government House leader has tabled those answers, may I bring to his attention the fact that the final answers to a number of questions have not yet been given?

The interim answers may have been given—I did not get all of the numbers so I would have to check—but the final answers to questions 85, 95, 143, 144, 145 and 157, all of which were to be given before this date, have not yet been tabled. I would ask that the acting government House leader take a look at the situation and see if he can get the answers at the earliest available opportunity. I assume that the interim answers have all been given.

**Mr. Wildman:** On a point of order, Mr. Speaker: I rise once again on this same issue. Rule 81(d) stipulates that a written answer will receive a written response, at least an interim response, two weeks after being tabled.

I have had similar problems in the past with other questions. I tabled question 216 on June 9; this should have been responded to at least with an interim answer by June 23. I have yet to receive either an interim answer or a final response.

It is not the first time this has happened; it has become almost a regular procedure. I enjoy getting up and speaking on points of order; however, I would much prefer not to have to do this but would have the Treasury benches comply with the orders of the House.

**Mr. Speaker:** I am sure the government

House leader will take note of both of those requests and respond at the appropriate time.

**Mr. Renwick:** On a point of order, Mr. Speaker: This is the second occasion on which I have drawn to the attention of the government House leader—and now the Attorney General (Mr. McMurtry) is here—that on April 22 I made an inquiry of the ministry. An interim answer was tabled on May 11 stating that the approximate date the information would be available would be May 21. I inquired about 10 days ago and I inquire again as to when the answer will be given to item 95 on today's Order Paper under the heading "Questions."

**Mr. Speaker:** I am sure the government House leader will take note of that request as well.

**Hon. Mr. Gregory:** Mr. Speaker, the only comment I can make at this time is that I will raise these points and see if we can get a fast answer. I assure you that before the House rises these questions will be answered.

#### ORDERS OF THE DAY

##### THIRD READINGS

The following bills were given third reading on motion:

Bill 5, An Act to amend the Corporations Information Act.

##### TORONTO STOCK EXCHANGE AMENDMENT ACT

Hon. Mr. Elgie moved third reading of Bill 21, An Act to revise the Toronto Stock Exchange Act.

**Mr. Speaker:** All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

##### THIRD READINGS (continued)

Bill 26, An Act to amend the Highway Traffic Act;

Bill 140, An Act to amend Certain Acts in respect of Assessment Appeal Procedures.

##### RIDEAU CENTRE MORTGAGE FINANCING ACT

Hon. Mr. Sterling moved second reading of Bill 105, An Act respecting the Mortgage Financing of Rideau Centre in the City of Ottawa.

**Hon. Mr. Sterling:** Mr. Speaker, for the information of the members of the House who might want to participate in this debate I might repeat what I said in my very short statement to the House.

The intent of Bill 105 is to provide for an innovative system of financing for the Rideau Centre in the city of Ottawa. As you may know, Mr. Speaker, it is a major real estate development located in the downtown Ottawa area, and included in the complex are such facilities as a 500-room full-service hotel, a 4,000-seat convention centre and many commercial facilities, which include a department store and a renovated office building.

In addition to the usual mortgage agreement arrangements, the legislation permits the mortgagor, or the borrower, to give the mortgagee, or the lender, an option to purchase an equity share in the project.

**3:40 p.m.**

Common law forbids such an option to be attached as part of the mortgage transaction. This clogging rule, as it is known, was developed to prevent an unscrupulous lender from changing a borrowing transaction into a transfer of property. The viability of the Rideau Centre depends on the successful completion of a loan for \$88 million with such an option attached. The rationale behind the development of the common law rule, I believe, is not applicable in this case, as all parties to the agreement are well aware of the implications of the transaction.

**Mr. Roy:** Mr. Speaker, I am sure my colleague the Justice critic had a lot to say about this bill, but considering this whole project is right smack in my riding, I think I should make a few comments. Of course, those of us here are very supportive and in deep sympathy with the fact that we do not want what is called a clog or fetter on title.

**Mr. Nixon:** We do not want the common law to apply.

**Mr. Roy:** That is right. We do not want the common law to apply, although some of us here, and I will not make any gestures in any direction, are not really sure what we are talking about when we mention the common law.

**Mr. Nixon:** Somebody has to keep the lawyers in line around here.

**Mr. Roy:** The minister feels that every time we talk common law we are talking legal aid, but there is some distinction.

**Mr. Nixon:** There is no legal aid in this

transaction, boy; \$1,200 a day, that is the going rate.

**Mr. Roy:** Yes, I do not think there would be legal aid involved in this particular transaction. But we want assurance that there is nothing on file which in any way would impede the smooth and logical development of this project. We are in favour of it. We have reviewed the bill fully. My colleague the Justice critic and I spent the best part of last evening going through the common law to make sure there were no impediments.

**Mr. Nixon:** No clogs.

**Mr. Roy:** Yes. We also want to be assured that in no way will this bill be challenged because of the new charter which, as the minister knows, changes all the rules.

**Mr. Nixon:** It comes ahead of the Legislature.

**Mr. Roy:** We have reviewed this and it was our learned opinion, after my colleague and I reviewed it with some assistance, because we did get a brief legal opinion from the member for Brant-Oxford-Norfolk (Mr. Nixon)—

**Mr. Nixon:** No charge.

**Mr. Roy:** No charge, but the acceptance of certain benefits. In fact, we would have been better off to pay cash on the barrel than accept, or give him, further remuneration. In any event, we checked all this, and we consider this bill to be quite proper and we are supportive of it.

While I am on my feet talking on this bill about the Rideau Centre project, I would say to the minister that I am sure he has noticed that this very important project has been unfortunately delayed for most of the summer by a variety of strikes. As there is province-wide bargaining going on involving all the trades, there is not a week goes by when there is not one trade or another on strike, picketing or slowing down the work on a project. I am sure he has talked to his colleague the Minister of Labour (Mr. Ramsay) and discussed that situation with him.

There are so few projects going on in this province that it will be unfortunate if this one is interminably delayed or interrupted on a regular basis because of all this bargaining going on at the provincial level. A whole series of trades are delaying the project. I thought I should bring this message to the minister's attention, because I have had occasion to talk to some of the contractors on the project who are getting extremely annoyed and frustrated by the fact that sometimes they do not have the necessary input in the bargaining process, as it takes place in Toronto. As a result of the process taking



place in Toronto, the effects of the delay are being felt much more on projects like the Rideau Centre project in Ottawa.

I am sure the minister will talk to his colleague the Minister of Labour, and discuss with him how we can best resolve problems such as these.

Having said all of these things, we are supportive of this bill.

**Mr. Renwick:** Mr. Speaker, we are opposed to the bill. There are those in the assembly and elsewhere who would scoff at the common law. The fact is, a fundamental principle of mortgage law is involved in the issue before us today. It is proof of the adequacy and strength of the common law that over the years conveyancers have not been able to defeat the courts in any way that they have tried to impose a barrier on the right to redeem a mortgage, commonly known as the equity of redemption. For centuries conveyancers, with all their abstruse, arcane skills, have tried to defeat the common law on this point and the courts have been adamant.

We have been asked in the interest of smoothness and so that the development can go forward easily, and so on, to support this. I do not care what the size of the development is and I do not care who is behind the development, I will not allow this assembly to be used for the purpose of breaching one of the fundamental principles. There are three of them. This is the third one. It is elementary law. It is a very important principle. It is very difficult to get people to understand it, but if this assembly allows someone, in the guise of being helpful to some development, to affect that fundamental principle of real estate law in Ontario, then I think we will be doing a disservice to the public.

No reason has been put forward. If this kind of precedent is created, the government will have no answer to any development or to anyone who comes before the assembly to ask that be done. Only lawyers who are steeped in common law and have a basic fundamental respect for it will understand that wealth, land, the relationship between borrower and lender secured upon land, is not something that should be tampered with by this assembly on the grounds of there being some beneficial use to be made of real property in the province.

We are not going to divide on it. We will rest on the good wisdom of the House to reject the bill.

**Mr. Breithaupt:** Mr. Speaker, it is rare that we have legislation proposed in the name of the Provincial Secretary for Justice (Mr. Sterling).

As the critic for the opposition for that ministry I am pleased to make a few comments on this bill.

The development of the Rideau Centre certainly will make a substantial base for employment, not only in construction but for continuing jobs in the Ottawa area. We in the opposition party welcome this project.

It is surely commonplace in 1982 to find it is an attribute in the construction of many buildings that a portion of the equitable value of that building be available to the mortgagee for lowering financing rates and so that the mortgagee can benefit from the incomes generated by the property and the eventual sale of that property, should there be a capital gain involved.

As I understand it, this project will be assumed by the federal crown for a nominal consideration of \$1 some 50 years from now. I expect that the value developed through annual income will have completely satisfied the differential whereby lower financing costs are available during this lengthy term. As I mentioned, at that point the consideration will be \$1. I do not know what the project will be worth, and I dare say none of us knows what \$1 will be worth then. But those are the mechanics of sorting out this concern.

Many projects under particular pressures these days cannot be completed if the market financing rates are a burden to the overall cash flow of the development of the projects. This is clearly a way of avoiding this kind of inflationary roller-coaster, and I welcome the kind of financing developments that occur in projects such as this.

It is only through projects such as this that, in times of severe inflation, we will be able to develop many of the office and residential complexes that are so badly needed, not only for the provision of jobs in construction, but also for the provision of shelter in times of very low vacancy rates for apartments and the provision of a variety of new facilities.

**3:50 p.m.**

The convention centre, the retail and other commercial facilities and the park areas are going to be redeveloped in this older ward of the city of Ottawa, and I would hope all members of the House would welcome this development.

I do not have the burden the member for Riverdale has with respect to avoiding this cloud on the title that would otherwise occur through the operation of the common law. In this instance, and indeed I have no quarrel that in other instances, this House may in its wisdom



be able to accommodate the new pattern of financing of a variety of these projects by removing that anachronism in the common law.

We certainly had no difficulty when we were recently dealing with mortmain and charitable uses which has been around since the early 1600s as an appendix to the English common law. We had no problem dealing with such things as divorce and a variety of other matters which the Family Law Reform Act now has in place. Something such as alimony and maintenance and a variety of these other aspects, such as dower, which the English courts disposed of as a result of legislation in 1925, we have only recently tidied up.

I see no difficulty in having this optional circumstance continue for the financing of the project. The whole development will be a substantial boost to the economy of the Ottawa area. I think I am prepared to weigh the balance and find in favour of the bill.

Certainly, it is fine to see the work and effort which the member for Ottawa East (Mr. Roy) has clearly put into this kind of project. It does rather give lie to the comment one hears on occasion that only a government member can get a certain project, or something, for his or her riding. It is quite clear that the absence of this kind of project would be laid at the doorstep of the local member; therefore, presumably, some of the credit for it should be laid there as well.

In any event, looking forward to the completion of this bill, and perhaps even to the next item of legislation on freedom of information which we may expect from the provincial secretary, we are prepared not only to support this bill but likely to support most of that next one.

**Mr. Nixon:** Mr. Speaker, in the event the bill does not go to committee of the whole, I thought perhaps I might just make my remarks in the form of a query which the minister might elucidate in his response. Certainly in this instance I am going to accept the suggestion, in fact the leadership of my colleagues learned in the law in this matter, but I would like to know what corporation is being unclogged and unfettered from the restraints of the common law by the passage of the bill.

**The Deputy Speaker:** While the minister is contemplating that, does any other member wish to participate in the debate?

**Mr. Nixon:** Who is lending the money?

**Hon. Mr. Sterling:** Mr. Speaker, I would like to thank the members who participated in this debate. I will pass along to the Minister of

Labour the comments of the member for Ottawa East in terms of his concern about the continuing problem with labour disputes at the convention centre.

I appreciate the comments of the members in relation to the importance of this project not only for the city of Ottawa but for all of the eastern Ontario region. One of the noteworthy things about this project, in particular the convention centre part, is that support is going to be provided by not only the city of Ottawa but the surrounding municipalities, four of which I have the pleasure of representing here in the Legislature.

In my view it is unfortunate that the New Democratic Party seeks to oppose this bill on the basis of the fact we are doing away with the fundamental principle developed in common law. Those members who have had the fortune to study law know that one of the beauties of common law is that it has developed over a long period of time, and that is particularly true in the real property area. That notwithstanding, in the past this Legislature has not been inhibited in making changes to that common law. In 1978 I participated actively in the termination of the right of dower with the Family Law Reform Act.

We have also, as brought forward by the member for Kitchener, made other changes in the common law. Although this has been a fundamental principle in the past, this does not necessarily mean it should not be changed in the future. This principle has come under heavy attack by many of the courts that have considered this principle in decisions. Although philosophically many judges could not agree with it, they also acknowledged the principle was well embodied in law and could not be changed by them.

The principal reason for this kind of financing is to obtain a lower interest rate on the particular mortgage and therefore make the project viable and healthy for the 50 years during which this will remain in private hands.

As far as the corporation involved is concerned, the mortgagor is the Viking Rideau Corp. One of the lenders will be a national bank. Unfortunately I do not have the name of that bank; I have not been supplied with that information. Quite frankly, I do not know the relevance of the question because it is really between a lender, a mortgagor and a mortgagee.

**Mr. Nixon:** Mr. Speaker, on a point of order: Perhaps the minister would permit a question at this point in his remarks.

**Hon. Mr. Sterling:** Certainly.



**Mr. Nixon:** If I may be so bold, it seems to me the relevance is we are setting aside a tenet of common law. For those of us who are amateurs in this matter, that is something normally only done with some reluctance and on occasions of some importance.

Obviously it benefits the community in that the building will go forward, but it must also benefit somebody who is lending them the money. What is irrelevant about asking who is going to be benefited?

**Hon. Mr. Sterling:** I only suggest the member can go to the registry office and go after the document.

**Mr. Nixon:** I am going to you.

**Hon. Mr. Sterling:** The document will be registered. I do not know whether they have absolutely settled on who the particular mortgagee might be. I am just not aware of that name. If the member would like me to, I will supply it after this debate is completed. I did not think it was relevant to the debate. It would be a matter of record. The problem associated with the lender is that it is a number of banks, pension funds and insurance companies which are all involved in a conglomerate.

**Mr. Nixon:** With a name.

**Hon. Mr. Sterling:** I imagine it would have to have a corporate name or some kind of trustee to handle the particular situation.

I do not think I have any further comments on the bill and I appreciate the support given.

Motion agreed to.

Ordered for third reading.

#### OPERATING ENGINEERS AMENDMENT ACT

Hon. Mr. Elgie moved second reading of Bill 143, An Act to amend the Operating Engineers Act.

**Hon. Mr. Elgie:** Mr. Speaker, the members will recall that some weeks ago I introduced to this House Bill 143, An Act to amend the Operating Engineers Act. Currently, hoisting engineers are required to obtain a certificate of qualification under the Operating Engineers Act. However, the training of these operators will soon become the responsibility of the Ministry of Colleges and Universities under the Apprenticeship and Tradesmen's Qualification Act. As a result, the present act will be amended so that all references to hoisting plants, steam

hoisting plants and to operators of those plants will be deleted.

**4 p.m.**

These changes will bring into effect the recommendations contained in the report of the provincial labour-management safety committee of the Construction Safety Association of Ontario. Furthermore, all references to the board of examiners constituted under the act have been deleted. The purpose of the board was to conduct examinations of stationary engineers and to issue certificates of qualification. Under the proposed amendment, this function would be performed by a chief officer appointed under the act. This implements one of the recommendations of the Wiseman committee report on agencies review.

**Mr. Breithaupt:** Mr. Speaker, I am speaking on second reading of this bill on behalf of our critic, the member for Essex South (Mr. Mancini). I have reviewed with my colleague the member for Renfrew North (Mr. Conway) the transfer of these obligations to the Ministry of Colleges and Universities, and we are agreed that this seems logical. We will accordingly support the bill.

The changes here are a result of the Wiseman report, as the minister has mentioned, which set out the more modern approach now being taken with respect to qualifications, as opposed to the mechanical operations of the Operating Engineers Act. As a result, we are quite prepared to support this bill and to deal with the variety of housekeeping amendments immediately.

**Mr. Swart:** Mr. Speaker, I have had the opportunity to have rather wide-ranging discussions on this bill with the people concerned, and I find there is little in the way of objection. I should put it more positively in that there is substantial support among the two groups affected by the principles in this bill, particularly in regard to the training of hoisting engineers. There is no question changes need to be made. The training is necessary and there probably should be certificates according to classification, because there is great variation in the types of equipment the hoisting engineers operate and, therefore, there probably should be some degree of qualification. That training and that degree could be provided better by this change in the act.

The section with regard to stationary engineers—and the bill deals with only those two principles—provides that the board of examiners be abolished and that the chief officer provide certification. There is no problem with

the principle involved here. There may be some problems in the change. One concern I have had, in consultation with people in the field, is that there was not sufficient knowledge in the case of some of them in rather senior positions, not even knowledge about the proposal being made to abolish the board of examiners. From that point of view, I would like to have seen some delay in the enactment of this legislation until there was further discussion with those affected out in the field.

However, I have become aware of the urgency about this bill. Apparently a \$1-million facility for training these people has already been acquired and will be idle until the bill is passed. Because the lack of information to all the people concerned may not be, at least entirely, the responsibility of the government, we will be supporting this bill.

I have perhaps a technical concern. At the present time the certification is done through legislation. It is my understanding that under the Ministry of Colleges and Universities Act, or whatever legislation applies to that, it is proposed to be done by regulation and, therefore, any changes will never come before this House, whereas changes such as this now do have to come before this House.

I would like to have the minister assure us it is desirable there be that flexibility which would justify this being done by regulation rather than by legislation as at the present time.

I also understand there may be some division of responsibility where all the equipment will come under the jurisdiction of the Ministry of Consumer and Commercial Relations, but the actual assurance of those who are operating the equipment will come under the Ministry of Education. Therefore, we will have a division of responsibility. It seems to me to provide some confusion and overlapping that perhaps should be ironed out. If we can do some of this by regulation, it probably will be ironed out.

Briefly, those are the concerns I have with this legislation, but on balance we are supporting it and are going to be supporting it without amendment. I would like to hear from the minister with regard to these points I have raised.

**Mr. Haggerty:** Mr. Speaker, I have just had a brief exposure to the bill and I want to make a few comments on it. I think it is a rather important piece of legislation and I would suggest, in my opening comments, that the bill should be referred to a standing committee of the Legislature so we can have input from the

special interest groups that are concerned about the Operating Engineers Act, the stationary engineers act, the hoisting engineers act and anything else that may follow them.

A few years ago, we had some discussion in the House on a similar bill and the stationary engineers were not too pleased with the impending legislation. I notice one of the changes is that it is now moved from the ministry's responsibility to the community colleges under the Apprenticeship and Tradesmen's Qualification Act.

One could not object to that, providing we have a proper cataloguing of all persons who are going to enter this field of the stationary engineer. I draw to the attention of the minister that although we are moving in this area, previously other trades were taken from the Ministry of Labour to the Ministry of Colleges and Universities and I find now, particularly in the Niagara Peninsula, there are not enough personnel representing the ministry responsible for following up on those persons who have applied for an apprenticeship program.

There is often a certain time element they have to serve on the job, and six months, eight months or a year later they have to attend one of the community colleges. In a number of cases in the peninsula, I find persons who should be attending school or colleges at that time are not there. In other words, it could add an extra six months or a year before they get their certification. I would not like to see a similar program here.

I know persons who want to become stationary engineers are employed in industry, work on the job for that training and then write their exams. I think it has been mentioned here by a qualifying person from the ministry that as long as a person passes his written exam and spends a certain number of hours in the shop or on the job, he is entitled to his licence.

**4:10 p.m.**

Here we are talking about two different branches. One relates to heavy equipment operators such as hoist or crane operators. I do not think there are very many steam hoisting engineers or coal boilers in the province any more; there are diesel electric and diesel now. So I suggest that should almost be a separate identity from a person who is going to become a stationary engineer, whether first, second, third or fourth class. They are two distinct fields that should be kept separate. One is perhaps more important, and that is the stationary engineer.

One other thing I would like to question the minister about is the fact that while I think he



now has a good program of inspection of hoisting engineers and equipment, the bill says nothing about the inspection end of it. I know of the good inspection services that are provided through his ministry now for equipment, particularly cables. I think cables play an important role in hoisting, because if there are faulty cables we can have serious accidents that are costly not only to human beings but also to equipment.

I see nothing there about safety inspection. Who is going to follow that up? I hope it will not be somebody from Colleges and Universities, because I think there should be a separate identity for that area of safety. I feel it is a major change in the legislation in this area, and I would like to see it referred to a standing committee so we can have input from persons working in the field.

The penalty seems to be higher than for any other infraction in many government bills: from \$1,000 to \$10,000. That is a pretty steep penalty for an infraction. If we have the proper inspections going on, we would not have very many infractions or the penalties that should follow.

I support the bill in principle, but I just draw this to the minister's attention. I feel in a sense that he wants to fulfil two different positions under the one bill, and perhaps they should have been separated long ago when the steam era passed. We have now come into diesel electric, and with stationary engineers we still have some plants, perhaps burning coal, but they are oil fired now. A few years down the road we may even have a nuclear plant of that nature producing steam on a small basis for industry. I know it has been considered; a representation before the Hydro committee suggested that they could perhaps develop nuclear power to produce steam for plants that require an enormous amount of steam in their line of production.

This is an important piece of legislation and I would like to see it referred to a standing committee of the Legislature.

**Hon. Mr. Elgie:** Mr. Speaker, I would like to thank the members for Erie (Mr. Haggerty), Kitchener (Mr. Breithaupt) and Welland-Thorold (Mr. Swart) for their comments. I would like to assure the member for Erie that as a matter of principle this is not a bill that it will trouble me to take to a standing committee. I really mean that. But it has been a subject that has been around for discussion for several years now before all groups.

Concerning the proposed change with respect to the operating engineers, let us recall that

what this bill does is just what the member said he thought should be done: it takes the operating engineers out of the bill, leaving the stationary engineers behind, and it changes virtually nothing with respect to the stationary engineers. However, as the member for Welland-Thorold pointed out, it does remove the examination by a board and substitutes an examination by a chief officer. In other words, instead of four public servants conducting the exams there will be one public servant conducting them. That is the only fundamental change as far as the stationary engineers are concerned.

As far as the operating engineers are concerned, a joint management-labour committee recommended some time ago that this legislation moving them into Colleges and Universities be carried out. I recall meeting with them myself as recently as six months ago, when I was Minister of Labour, as did the member for Kitchener and the member for Welland-Thorold, when they indicated to me that they do have a facility for training apprentices ready to go. There is a great need to get this issue settled and to have the apprenticeship or training of operating engineers dealt with under the Ministry of Colleges and Universities.

If I say I have some resistance to sending it to standing committee it is simply because I think there is an element of importance and it is an issue that really has been discussed very thoroughly over the years.

The member for Welland-Thorold commented on the abolition of the board. I can only say, as I said to the member for Erie, that there are four public servants now examining. The proposal is that there be a chief officer and that the other three public servants will carry on with their other duties. This is in line with the proposals to try to streamline activities where it is possible within government. I honestly do not think it changes anything within the functioning of the act or the effectiveness of the act. I hope it is not an issue that would cause anyone to have reservations about it.

I know from the conversations the member for Welland-Thorold and I have had that he was concerned that people in the field had not been thoroughly notified about the change. I would like to assure him that not only have I had assurances from labour and management that communications have taken place, but some time in the late summer of 1981 the Ministry of Colleges and Universities also sent a notification and an information sheet on the subject to every registered hoisting engineer advising them



of the proposal. It was really fairly well publicized. In addition to that, the involved labour unions and the Institute of Power Engineers were also informed. That was in 1981. I realize it has gone on—

**Mr. Swart:** Stationary engineers.

**Hon. Mr. Elgie:** Stationary engineers. So there has been fairly good communication. As members and I know, as time goes on one may not always recall what happened some time before.

The member is quite right that the Ministry of Colleges and Universities will have to pass a regulation, but the minister has been involved with these discussions along with myself for some time now. I have her assurance that there will be no delay in passing those regulations.

Members can certainly have the same assurance I have given the operating engineers, that I will be involved in the content of that regulation. I am certain it is to their satisfaction and meets their needs, as well as the employers' needs for training of apprentices in this area.

The member for Erie commented on apprenticeship programs and some delays and problems there. I have to tell him there is no training program for operating engineers now. The only requirement under this act is 18 months on the job somewhere and then writing an exam. That is really what prompted the labour-management safety committee to draft the letter to the then minister requesting consideration be given to the establishment of an apprenticeship training program. A variety of things that take place today, including the fact that the Apprenticeship and Tradesmen's Qualification Act is there and that funding for any training comes through there, makes this transfer virtually a necessity.

The member also commented on the issue of a fine. I think it was about 1968 when this bill was last revised. Members will agree that from 1968 to 1982 there has been a considerable change in the value of the dollar. It is changing daily. I know the member's dollar does not change but my dollars seem to change daily perhaps because I have another one going to university this year. Anyway, I would hope the member would not feel that the change in the fine level was out of keeping with the change in costs over the years.

Members will notice that the issue of nuclear power has been removed from the bill. It has now been settled and agreed upon that the issue of nuclear power is purely a federal issue coming under the Atomic Energy Control Board. All references to nuclear power have been

taken out of this act and are not really relevant for our consideration today.

I thank members for their comments. I do unfortunately have one minor amendment because deletion of the word "board" was overlooked in two subsections. I will have to introduce it for that reason only.

Motion agreed to.

Ordered for committee of the whole House.

**4:20 p.m.**

#### CERTIFICATION OF TITLES AMENDMENT ACT

Mr. Mitchell, on behalf of Hon. Mr. Elgie, moved second reading of Bill 120, An Act to amend the Certification of Titles Act.

**Mr. Mitchell:** Mr. Speaker, in the absence of the minister, I would like to refresh the memories of the members present.

The Certification of Titles Act, as it now stands, gives land owners the right to apply to have title to their land certified and guaranteed by government. That act was passed in 1958. This amendment would add another part to the act.

Basically, it would permit the director of titles to certify the subdivider's title to land included in plans of subdivision which are already registered in the registry system. It would not require an application by the subdivider but could be carried out by a small staff supervised by the province of Ontario land registration and identification system. The title would be searched, and if it is sound it would be certified as of the date of the registration of the plan.

It would, therefore, eliminate the most difficult part of the usual 40-year title search period for lots on subdivision plans. Far fewer documents would have to be examined. This would save the searchers and the system staff a great deal of time.

**Mr. Breithaupt:** Mr. Speaker, it is interesting that another major aspect of our common law is being dealt with this afternoon.

I suppose initially the 40-year search of title was effectively one way of dealing with the length of time a generation took to pass through the ownership of land in medieval England. Now, as we see subdivisions developing, it is found that time after time it is necessary to go behind the plan. In the older, established areas that may not be of particular concern, because records may be fairly well up to date and plans may well have been on for 50 or 80 or even 100 years.



However, in some of the newer areas which are now being developed, to search behind the plan can be a great expense. It must be a burden to persons who have to be dealing with that work to have to pull out the same documents each time, as well as an expense to the person who is buying a house in the subdivision, and often a matter of some delay.

Under the Certification of Titles Act there has been the opportunity for a particular parcel to have any of the clouds on title—old easements or descriptions like “down to the big oak tree” or whatever—expunged once and for all.

In effect, the land is taken out of one system and put into another. Through this system, which is called the Torrens system, there has been the development of a certificate which has guaranteed the ownership with probably not more than one page of entries, since the property was appropriately certified as to removing all previous possible claims.

In this situation, it is interesting to see that we are going to go into a pattern of certifying all the other plans that exist across the province. I presume there are thousands of those, and I would like to hear from the parliamentary assistant as to what time frame we are dealing with, and how long he expects it to be before most plans in the communities are brought up to date.

We had in estimates, I believe it was a year or so ago, a lengthy explanation of the Polaris system. I certainly found it most interesting because it pinpoints, probably on a point finer than a pin, the various boundaries of titles and the exact bearings and details of descriptions in a way that could never be done by the surveyors as they moved across the province, or even by some of the more modern optical equipment available for dealing with details of bearings and distance. I would be interested to find out how long we are expected to have to develop this program, what percentage of plans will be dealt with and what time frame we will find ourselves in.

Section 4 does quite clearly set out that we will, as a result of this program, eliminate the need for title searchers to search behind plans when they are dealing with particular properties. That, of course, is quite a guarantee and, presumably, since there may well be certain errors occurring, I would also like to hear from the parliamentary assistant what the experience has been recently with claims against the funds that are on hand for certification of title and

what the expectation may be concerning the expenses that may accrue.

As I recall, when I was critic for this ministry two years ago, the certification of titles fund had built up quite a healthy amount of money. Indeed, if I am not mistaken, a portion of that was transferred to the general revenue, because there was not a need for the maintenance of that size of fund with a particular earmark on it, shall I say. Certainly, while it is appropriate to keep some balanced amount of money there, naturally enough, if the funds develop through the payment of fees over a period of time and there are no claims, which is very much to be hoped, then additional funds may build up to quite some large extent.

One can always lower the fee for people dealing with plans in the future, but I find that in government patterns it is more likely that those fees will continue to be easily and comfortably borne by the willing horse, rather than having the fees cut so the revenues are accordingly available for other purposes. I would be interested in knowing what claims experience there has been recently and what the expectations may be.

I think that effectively completes my comments on this bill. The compensation pattern will continue if there are valid claims dealt with, under the procedure that has effectively existed through the director of titles, I presume. As a result, any of these matters will be dealt with, if errors are made, through the operation of the system that has been in place for some years under the certification of titles procedure.

It is, of course, naturally welcome to have modernization in the land registry system. I only regret that my House leader, the member for Brant-Oxford-Norfolk (Mr. Nixon), is not here, because I am sure he would be more than happy to speak to the principle whereby legal fees for any particular project may be made somewhat less. He seems to have a penchant in areas such as that, and I am sure he would welcome that expectation, even though we are at this point uncertain what the reality may be.

However, the basic system is being modernized. We have an opportunity of dealing with many of the old patterns of survey whereby one boundary may have come from one reference point and another boundary from another. There is a certain gap occasionally, whether a rubber tape was used by the surveyor or whatever. That does occur from time to time.

I hope this program does develop well, and I am looking forward to the comments of the

parliamentary assistant, so that we need not take this bill to committee.

**4:30 p.m.**

**Mr. Swart:** Mr. Speaker, this is a desirable bill. The member for Kitchener (Mr. Breithaupt) has dealt with a bit of the background of the registry system and the Certification of Titles Act. I will not go into that except to say that we in this province moved, it must have been about 25 years ago, into making it optional, at least in some of the counties and jurisdictions, to have property put under the Land Titles Act. This is a guarantee of title, and it is a continuing guarantee of title, unlike the certification we have now and that is proposed here for the subdivisions.

I remember being involved in a rather lengthy battle in the county of Welland about the introduction of the Land Titles Act. There was some very substantial opposition to it from the legal fraternity for very obvious reasons. Although they admitted it was a good system, it meant there would be far less work for lawyers in assuring clear title. So they objected to it, and were often slanted a bit in their comments, because work would be lost to the legal profession.

The certification of titles here, which could apply to all subdivisions in the province, is certainly very desirable. It is a sensible way of dealing with clearing titles up to a certain time. I presume that, subject to the certification of titles at the time immediately prior to the subdivision being created, it would give the opportunity to all those people who now have deeds to individual lots to carry forward with minimum expense in having the land titles apply to their individual properties on the basis of the certification of this title.

I ask the parliamentary assistant whether it is the intention under the Land Titles Act to carry on with the same kind of fee even though the certification of the land and, therefore, the clear title will provide it at the time of subdivision. I know there is an attempt here to abolish any payment for the certification of titles. Is that also going to apply to land titles, or is the fee for land titles still 1/10 of one per cent? Is that still going to apply for anybody—

**Mr. Breithaupt:** That is land transfer tax.

**Mr. Swart:** But I think there is a tax too for land titles, if one brings one's property under land titles. There is a payment there. I may be wrong, but I think it is 1/10 of one per cent on the value of the land. If I am wrong, I stand to be corrected. One must pay to have one's property

put under the Land Titles Act, as one should. I presume, because we are not dealing with the Land Titles Act, that whatever the payment is it would still continue; but the parliamentary assistant knows that, because what we are doing here under this legislation is giving a great many people free certification of title to the property.

I do not object to that, except I point out that there are many rural communities in this province—we went through this in our own municipality while I was there—where villages such as Port Robinson have been there for 150 years or so and there was no subdivision of land; it had sort of grown up, each with an individual title. Now when they come to sell their property, there is a real problem in providing a clear title. Where there have been proposals by the government that they should go under land titles by the registrar or the master of titles, that they should go under this to give clear title, they are going to be saddled with tremendous costs.

Here is an instance where this certification of titles is going to be provided free. I support the bill. I am not saying these people should not get it free, but here we are going to have what would appear to be a very real contrast in the way one group is being dealt with and another group is being dealt with, and I hope the parliamentary assistant may deal with that issue when he rises.

I wonder whether there is also the intention, now that we are taking this step, to proceed to having a full land titles system here in Ontario. In the western provinces, in Australia and, I believe, in New Zealand as well as in many areas that have been developed primarily within this century, they have the land titles. I would think it would be desirable. One reason I support this bill and our party supports it is that we have been moving towards the land titles system to a greater extent in this province.

I want to concur with the request by the member for Kitchener for the minister to give us some indication of the size of these funds and the demand on these funds, because it becomes one fund now. Since we are abolishing any payments into this fund, how long is the fund going to last? Should it not be on a sustained basis? If we are going to pay out of this fund, even though the amounts are not great, it would seem to me this fund should not be depleted; it should be self-sustaining and perhaps building up.

I realize we reach a point where we have more money than is necessary. Once we have this legislation, which is going to abolish payments into it—or perhaps only payments under land



titles and nothing under certification, which may not be entirely fair—then it seems to me it will be much more difficult to reintroduce amendments that will call for the payment of some of these funds.

I want to point out that there can be some very real costs to a fund like this. The member for St. Catharines (Mr. Bradley) is not here, and he may not be old enough to remember it, but back 15 or 20 years ago there were, if I remember correctly, in excess of 500 home owners in a subdivision who were in jeopardy and had to go to fight to retain the ownership of their homes because there was some interest claimed by a relative of the farmer who had originally owned all this land in that area.

I am not suggesting she did not have a legitimate claim, but it was taken to court. Eventually her claim was not sustained, but if it had been there would have been tremendous costs incurred for somebody and this could be cost for the registrar of titles for this combined fund if this kind of claim were sustained in another operation.

I have indicated the views of myself and my party on this. It is a good bill. There are some aspects of it that need further explanation and perhaps even some changes if we are going to make this completely fair.

4:40 p.m.

**Mr. Breithaupt:** Mr. Speaker, if I could, I would like to have one word with the parliamentary assistant.

Following the suggestion made with respect to the St. Catharines experience, I should remind the parliamentary assistant that in 1807 the settlement of the German Company Tract in Kitchener came under those same kinds of claims. They were resolved with a barrel of silver dollars which were brought up from Pennsylvania to pay off those claims.

Not only are we past that particular stage, but also, presumably, that kind of thing under this system will not happen again.

**Mr. Mitchell:** Mr. Speaker, I hope my memory serves me well when answering the questions that have been asked by the member for Kitchener and the member for Welland-Thorold (Mr. Swart).

To answer the question about the period of time it will take to fully implement this, we are talking about roughly 1,700 plans per year, which will probably take six years for a total of 10,200 plans of subdivision. There is an accumulated saving to be expected there. I have figures

that are estimated figures, and I am not so sure whether it would be correct to quote them, but there are some estimated savings.

The member for Welland-Thorold was correct with regard to the certification of titles assurance fund. It is being merged, but under that certification of titles fund there have been five payments since 1971 to the best of our information, for a total amount of \$10,000. The number of claims under the land titles assurance fund since 1971 is 37. My understanding is that the land titles assurance fund stands at \$980,289 at present. It is maintained at roughly \$1 million by transfers of funds from the consolidated revenue fund.

To the best of my knowledge, the largest payout under the land titles assurance fund was one of \$50,000. The rest have all been small. I think that answers most of the questions.

I might comment to the member for Welland-Thorold that the staff have informed me they are examining going to the land titles system throughout the province in the next stage of the Polaris project. In their opinion, certification is a useful and low-cost first step towards that move.

The honourable member also talked about costs. I believe the present cost to certify is \$750.

I hope my memory has not failed me. I hope I have answered the questions that were asked.

**Mr. Swart:** Mr. Speaker, perhaps you will permit a further question before we go into committee of the whole. I should have asked this when I was on my feet earlier, but is it the plan to do all subdivisions back to the 40-year limit? If they go back further than that, obviously there is no point in certifying the title.

If there were a case like the one in St. Catharines, with the price of land at present, would it not be true that the \$1-million fund might not be any too much to have and that perhaps there should be a fund buildup substantially in excess of that? Or is there the provision and the assurance that the fund would be supplemented from the general revenue of the province if there were a claim over and above that?

**Mr. Mitchell:** Mr. Speaker, if I understand the member, the answer to the last question is that the fund is always maintained at \$1 million. If it should fall below that, it is reimbursed from the consolidated revenue fund.

I am trying to get the answer to the question as to how far back they would be intending to go. I believe they are talking about 1955, but I

stand to be corrected on that. I will look to the staff for an answer, if I may have a moment.

The answer is here. I would rather have the honourable member have the correct answer before we conclude debate. I was quite correct; it is 1955.

**The Deputy Speaker:** The other question was not answered. What happens if there is a claim above the \$1 million?

**Mr. Mitchell:** I have answered that, Mr. Speaker. The fund is always maintained at \$1 million; money is put in from the consolidated revenue fund.

Motion agreed to.

Ordered for third reading.

House in committee of the whole.

#### OPERATING ENGINEERS AMENDMENT ACT

Consideration of Bill 143, An Act to amend the Operating Engineers Act.

Sections 1 to 11, inclusive, agreed to.

On section 12:

**Mr. Chairman:** Mr. Elgie moves that sections 12, 13, 14, 15, 16, 17, 18, 19 and 20 of the bill be renumbered as 13, 14, 15, 16, 17, 18, 19, 20 and 21 respectively and that the following section be added thereto:

"12(1) Subsection 23(1) of the said act is amended by striking out 'board' in the first line and in the fourth line and inserting in lieu thereof in each instance 'chief officer.'

"(2) Subsection 23(2) of the said act is amended by striking out 'board' in the third line and inserting in lieu thereof 'chief officer.'"

**Mr. Swart:** Mr. Chairman, I do not have any question relative to this amendment, but I would like to use the opportunity, and I believe it is in order, to ask the minister whether this anticipates that the chief officer would be able to delegate this to anyone else for certification.

It is my understanding that at present there is an assistant chief officer who signs the certifications. This may be on a resolution of the board of examiners, but when there is no board of examiners, would this authorize the chief officer or his appointee to sign, or would he have to sign every one? If so, would it not be wise to have this broadened so he would not necessarily be the person who would have to sign them all?

**Hon. Mr. Elgie:** Mr. Chairman, section 3 of the present act calls for the appointment of a chief officer as well as the examiners, but there is no specific authority. The capacity for that

chief officer to delegate is there and it would remain there. It would be a necessary function for him to be able to continue, because he might not always be there on occasions when it was necessary. I would hope that would not change the functioning of the act in any way.

4:50 p.m.

**Mr. Swart:** I am not sure I made myself clear. I did not understand the minister. Is it his opinion that it would not be the chief officer and that other people could sign the certificates on his behalf or could authorize these certificates? I know in some of the other acts that were before this House there is special provision for the chief officer or whoever is named, his designate or his appointee. So it is very clear. I just wanted to make sure that was the case here. I did understand from the minister's answer that he was giving that full assurance.

**Hon. Mr. Elgie:** All certificates issued now do bear the name of the chief officer.

**Mr. Swart:** No.

**Hon. Mr. Elgie:** That is what I am advised by the—

**Mr. Swart:** Some bear the name of the assistant chief officer, who is not even named in the act.

**Hon. Mr. Elgie:** Any certificate bears the chief officer's name. Examinations are conducted in the branch and are reviewed by an examiner, who is the assistant or deputy chief officer, as the member referred to. It is my understanding that capacity for the deputy chief officer to function will continue. Does that answer the member's question?

**Mr. Swart:** Not exactly. Does this provide that anybody other than the chief officer can sign certificates and those certificates would be valid, the way it is at present? Perhaps I am just being difficult, but I do not understand.

**Hon. Mr. Elgie:** Frankly, I have not seen the certificates, but the member of the branch who is here assures me that each certificate bears the chief officer's name, not that of any delegate, at this time.

**Mr. Breithaupt:** Someone might be able to have the authority to sign on behalf of the chief officer.

**Hon. Mr. Elgie:** Yes. Someone still has the authority to sign on behalf of the chief officer. Yes, of course.

**Mr. Chairman:** Satisfied? It seems clear to me.



**Mr. Swart:** No, I am not satisfied. I am just wondering whether the minister would not be willing to have a friendly amendment. If he deems it is desirable that somebody should be able to sign on behalf of the chief officer, it seems to me there could be situations where the chief officer could be ill or for some other reasons it could be desirable for him to delegate this authority to someone else. There should be provision to do so.

I understand the minister to say that all of them now are signed, and they would be under this, by the chief officer. Is it his wish that the chief officer should be required to sign them all?

**Hon. Mr. Elgie:** As I mentioned, it bears the chief officer's name but, as the member for Kitchener said and as I am advised, there is the authority to delegate that power to someone within the ministry. That power exists now, and it is not a problem for us.

Motion agreed to.

Section 12, as renumbered and as amended, agreed to.

Sections 13 to 20, inclusive, as renumbered, agreed to.

Bill 143, as amended, reported.

On motion by Hon. Mr. Elgie, the committee of the whole House reported one bill with a certain amendment.

#### REGIONAL MUNICIPALITIES AMENDMENT ACT (concluded)

Resuming the adjourned debate on the motion for second reading of Bill 15, An Act to amend certain Acts respecting Regional Municipalities.

**Mr. Rotenberg:** Mr. Speaker, I believe the debate was adjourned by a member opposite who is not in the chamber. If there are no other members wishing to speak to this bill—

**The Acting Speaker (Mr. Cousens):** The member for Ottawa Centre (Mr. Cassidy) had the floor. Does any other honourable member wish to participate in this debate?

**Mr. Rotenberg:** Mr. Speaker, I would like to briefly summarize some of the comments made the other night by members opposite on this bill.

The member for Waterloo North (Mr. Epp) was discussing the lifting of restrictions on hospital grants. I point out to him that this is permissive only and that this is the last grant on which there are restrictions. It has been our policy to give the municipalities autonomy in

grants, and it follows in that policy that we would lift the restrictions on municipalities to make grants to hospitals.

Both the member for Waterloo North and the member for Ottawa Centre were discussing the election of chairmen. Although that discussion is technically out of order, because there is nothing about the election of chairmen in here, the member for Waterloo North did ask me to indicate the views of the ministry on this subject.

I think he is aware that we had quite an extensive debate on this subject several weeks ago when we did the District Municipality of Muskoka Amendment Act. I think I dealt with the issue adequately at that time and made the position of the government quite clear.

The member for Prescott-Russell (Mr. Boudria) raised the question of by-elections. He was correct that by-elections are not mandatory; they are optional for the municipality when a vacancy occurs on a council. I think the date is some time in March or so many days before the end of the term; after that, council must appoint and does not hold a by-election.

I believe those are the points that were raised on this bill. I thank the honourable members for their support of this bill and commend it to the House.

**Mr. Epp:** Mr. Speaker, may I ask the parliamentary assistant a question?

**The Acting Speaker:** No. I am afraid it has been closed off. I gave all honourable members an opportunity to participate in the debate.

**Mr. Epp:** We will do it in committee of the whole.

Motion agreed to.

Ordered for committee of the whole House.  
House in committee of the whole.

#### REGIONAL MUNICIPALITIES AMENDMENT ACT

Consideration of Bill 15, An Act to amend certain Acts respecting Regional Municipalities.

**Mr. Chairman:** Are there any proposed amendments?

**Mr. Rotenberg:** With respect, Mr. Chairman, it was not I who asked this bill to go to committee of the whole House; I believe it was the member for Waterloo North (Mr. Epp) who wanted to make a comment. I was quite content with the bill as it is.

**Mr. Chairman:** Which section would you like to comment on?

**Mr. Epp:** Mr. Chairman, I want to comment on section 2.

Section 1 agreed to.

On section 2:

**Mr. Haggerty:** Mr. Chairman, I just want to bring to your attention that my colleague was trying to get the floor before, and the parliamentary assistant said, "Well, you have already spoken on the bill."

I might mention that in a piece of legislation like this we are dealing with 10 municipalities and 10 regional bills. I think it is a poor way to bring in legislation when we have to deal with 10 different municipalities under one bill. I might have wanted to speak on the Regional Municipality of Niagara Act. When you look at it, the first part just says "Regional Municipality of Ottawa-Carleton". I just draw to your attention that the bill should have been a separate piece of legislation from the beginning.

**Mr. Chairman:** Actually, that is a good point. What does the parliamentary assistant say to that?

**Mr. Rotenberg:** With respect, Mr. Chairman, we have had bills of this nature from this ministry for many years. There is no question that the bill does have a number of sections, as many bills do; it certainly is not as thick as many bills.

I have never really had a request before from any member of this House to divide a regional bill into a number of separate acts; I think it is much easier and simpler for the House to deal with the same principles in a different section of the act than to have a number of separate acts. But if there is a real desire from the opposition to have them separated in the future, I think at some time—not here—I would be pleased to discuss this with my critics or to have the House leaders discuss it to see whether it is really necessary to do so.

**Mr. Epp:** On the same point of order, Mr. Chairman—

**Mr. Chairman:** No. We are just talking on the bill; it is not a point of order.

**Mr. Epp:** Well, speaking to the same bill by way of a point of order: The parliamentary assistant will recall that his colleagues in Ottawa kept the bells ringing for two weeks because they wanted a bill divided into seven parts, and, as my colleague the member for Erie (Mr. Haggerty) has pointed out, this bill actually has

10 parts. So the government is trying to outdo some of its friends in Ottawa. Certainly the point that is raised by my colleague is valid.

5 p.m.

**Mr. Rotenberg:** With respect, I am not that familiar with the bill in Ottawa. The bill in Ottawa has a number of parts with many different principles. Even though this bill is divided into 10 parts, the principles are relatively the same.

There have been no requests or suggestions made by anyone in the opposition over the past number of years when these bills came in in this form. If there should be an objection in the future, certainly we would wish to accommodate the opposition to make the bills as understandable as possible. We have a desire to make it as easy as possible for opposition members to understand the bills and to support them.

**The Deputy Chairman:** Mr. Epp moves that section 2 of the bill be struck out and the following substituted therefor:

"2.(1) Subsection 4(1) of the said act is amended by striking out 'thirty-three members composed of a chairman and' in the first and second lines.

"(2) Subsection 4(2) of the said act is amended by striking out 'or any other person' in the fourth and fifth lines.

"(3) Subsection 4(3) of the said act is repealed.

"(4) Subsection 4(4) of the said act is amended by inserting after 'chairman' in the sixth line, 'from among the members of the regional council.'

"(5) Subsection 4(6) of the said act is repealed.

**Mr. Rotenberg:** On a point of order, Mr. Chairman.

**Mr. Epp:** I did not think I was out of order.

**The Deputy Chairman:** I will recognize the point of order first.

**Mr. Epp:** I had your permission to speak.

**The Deputy Chairman:** You did indeed. I do not know what the point of order is until I listen to it.

**Mr. Rotenberg:** Mr. Chairman, the thrust of the motion by the member for Waterloo North is to change the method of the election of the regional chairman of the region of Ottawa-Carleton. I would suggest that there is nothing in this bill which discusses that principle. This is beyond any of the principles in the bill. I would suggest to you, as we have in our previous bill, that this amendment is not in order.



**The Deputy Chairman:** Would you respond to the point of order? Then I will have to think about it.

**Mr. Epp:** Mr. Chairman, this obviously is in order because it deals with the same bill and it deals with Ottawa-Carleton. We are dealing with section 2 and this amendment deals with section 2, so it is really not out of order.

You will recall that on Friday last I asked the parliamentary assistant to give us one good reason why the chairmen should not be elected. His argument is that they should not be elected and he has insisted on that, so I asked him to give us one good reason they should not be elected.

You will recall that in his response earlier he could not give us one good reason. I would think that in itself speaks for these chairmen being elected. I am trying to help the government by bringing in these amendments. It is obviously a very important oversight on their part.

**The Deputy Chairman:** I really wanted to hear the response from the member for Waterloo North to the point of order and I have listened very carefully. This amendment is not in order as to the principle of the bill at hand. I am in sympathy with the points you are trying to make inasmuch as there should be an opportunity for you to make them. As I see Bill 15, I regret your amendment is not consistent with the intention of the bill.

**Mr. Epp:** I have to defer to your wisdom and your decision. I disagree with it wholeheartedly but I—

**The Deputy Chairman:** I do it with great reluctance. I recognize the research and work you have done on it.

**Mr. Epp:** With great reluctance?

**The Deputy Chairman:** Yes, it is. I have to rule the amendment out of order.

Section 2 agreed to.

Sections 3 to 5, inclusive, agreed to.

On section 6:

**The Deputy Chairman:** Mr. Epp moves that section 6 of the bill be amended by adding thereto the following subsections:

“6. (1) Subsection 14(1) of the said act is amended by striking out ‘some person’ in the third line and inserting in lieu thereof ‘a member of the regional council.’

“(2) Subsection 14(2) of the said act is amended by striking out ‘who may be one of the members of the regional council or any other person’ in the fourth and fifth lines and inserting in lieu

thereof ‘from among the members of the regional council.’

“(3) Subsection 14(3) of the said act is amended by striking out ‘person’ in the third line and inserting in lieu thereof ‘a member of the regional council.’

Mr. Epp further moves that subsections 6(1) and (2) of the bill as printed be renumbered as subsections 6(4) and (5).

**Mr. Rotenberg:** Mr. Chairman, on a point of order: This deals with the same subject, which is not part of the principle of the bill, and I ask you to consider the same ruling.

**The Deputy Chairman:** The member for Waterloo North before I make my momentous decision.

**Mr. Epp:** I submit to you, Mr. Chairman, that I believe it is part of the bill. We are dealing with section 6, and I think you should permit it.

**The Deputy Chairman:** The member for Wilson Heights (Mr. Rotenberg), what was your point?

**Mr. Rotenberg:** Mr. Chairman, again my point is that the purpose of the amendment really is to change the method of selecting the chairman of the regional council. There is nothing in section 6 that in any way deals with the chairman of the regional council or his selection. The member for Waterloo North is adding some additional sections that are not part of the principle of the bill, and I do not think this can be done under our rules. I would therefore ask you to rule this amendment out of order.

**The Deputy Chairman:** I have trouble only for that reason, and I therefore have to rule the amendment out of order. The honourable member has points to make, and I appreciate the fact that he is trying to make them. Unfortunately, I am not able to allow them to stand as part of an amendment within this bill as it now stands.

Section 6 agreed to.

**Mr. Epp:** Mr. Chairman, I would have other amendments to the bill but, given the fact that these amendments have been ruled out of order, I will have to wait for another opportunity to make these changes.

**The Deputy Chairman:** Thank you.

Sections 7 to 19, inclusive, agreed to.

On section 20:

**Mr. Haggerty:** Mr. Chairman, section 20 relates to the regional municipality of Niagara. The explanatory note states: “The re-enactment of subsection 86(1) of the act removes the

requirement of municipal board approval to the designation of a controlled-access road. The re-enactment of subsections 86(6) and (7) makes uniform with other regional acts the provisions respecting the appeal from an order of the municipal board approving or refusing to approve the closing of a road that intersects a controlled-access road."

Why has it been changed to an appeal to the Divisional Court? Normally with every procedure you have with any municipal functions, such as hearings and appeals to a body, there is always an appeal to the Ontario Municipal Board. What is the reason for changing to an appeal to the Divisional Court? To me it is really out of the way to suggest an appeal to the Divisional Court or a jurisdiction of that nature. Why not leave it under the present system, an appeal to the Ontario Municipal Board, which perhaps understands municipal problems more than any other body?

**Mr. Rotenberg:** Mr. Chairman, until now it was not a case of making an appeal to the Ontario Municipal Board; it was a case of requiring them to go to the Ontario Municipal Board for all of these designations to seek approval. We feel it is no longer necessary for it to designate these roads; they should not be required to get approval for each designation. Therefore, we want to delete the necessity of going to the Ontario Municipal Board each time.

However, in taking away the right of a hearing to the Ontario Municipal Board, which is a mandatory hearing for every case, there should be some protection in what we feel are the minority of cases where a municipality or some person might object. In that case, as with any municipal bylaw, an appeal to a municipal bylaw can be taken to court if a person feels his rights have been taken away from him.

In effect, we are saying it is not necessary to go to the municipal board for every approval, but if someone wants to he may take it to court, if he feels his rights have been taken away from him. I think this will cut down considerably the amount of paperwork and the necessity for going to the OMB each time.

**5:10 p.m.**

**Mr. Haggerty:** I may quite agree with the parliamentary assistant on that particular point, but there is a third party who may be involved in it; that is, a member of the public, the citizen or ratepayer in a community. There may be an objection from one area municipality to another,

and it may well go to the Divisional Court. But what happens to the third party? It would become more of an adversary system by moving it from the jurisdiction of the OMB to a court.

The parliamentary assistant has forgotten the general public. All he is interested in is whether there are any objections from one area municipality against the intent of the regional municipality to implement a bylaw, where perhaps the adjoining property owner may not even be aware of what is taking place. At least if there is an application to the OMB it has to be advertised. The application appears in a local newspaper so people are given some information indicating there are some changes in local government policy relating to the public as a whole.

**Mr. Rotenberg:** With respect, the right of appeal is not just for an area municipality. Any person can appeal, so the right of appeal is there for everyone. We have not forgotten the individual, as is indicated in the bill under subsection 20(6), "Any person, including an area municipality, that has filed particulars of an objection . . ." So the right of appeal is for everyone.

Section 20 agreed to.

Sections 21 to 49, inclusive, agreed to.

On section 50:

**Mr. Laughren:** Mr. Chairman, first of all I will read the section and perhaps you, as Chairman, can give me some guidance as to what it means.

"50. Subsection 70(2) of the said act is repealed and the following is substituted therefor:

"(2) In preparing the estimates, the regional council shall make due allowance for a surplus of any previous year that will be available during the current year and shall provide for any operating deficit of any previous year."

That is the end of the section. I am confused as to what the second half of that sentence means as tied into the first half.

**Mr. Rotenberg:** Mr. Chairman, one would have to read what has been repealed. Up until now the approval of the minister was required to do this sort of thing. The effect of the section is to take away the requirement of the approval of the Minister of Municipal Affairs and Housing (Mr. Bennett) to set up reserves for deficits, and so on. The municipality of Sudbury can now do this on its own without reference to the minister.

**Mr. Laughren:** My only comment would be that it is a misleading section. It is not that I think the member would mislead the House deliberately, but when I saw the wording I thought that the member himself had drafted



this section, as opposed to the normal drafters of legislation.

I would like to know if the parliamentary assistant could tell me what the odds are—and I think he is a betting man—on any municipality, and in particular this applies to the regional municipality of Sudbury, ever having a surplus again, given the way the Ontario government is cutting back grants to the municipalities.

**Mr. Rotenberg:** First of all, Mr. Chairman, a compendium was provided to opposition critics. I hope others have shared in it. It indicated the purport of the amendment and indicated what it is.

Second, I have faith in the regional municipality of Sudbury doing good budgeting. It just might turn up with a surplus one of these days. I hope it can budget much better than our friend in Ottawa last night whose deficit doubled in a period of seven months.

Section 50 agreed to.

Sections 51 to 89, inclusive, agreed to.

On section 90:

**Mr. Nixon:** Mr. Chairman, I think this section is a standard one in other regional municipality amendments in this act. It enables the minister, under certain circumstances, to change the designation of an area municipality to village, town, etc. I simply wanted to bring to the attention of the parliamentary assistant a problem that continues in the regional municipality of Haldimand-Norfolk with the area municipality designated the city of Nanticoke.

That city of Nanticoke is largely a rural area, part of it in my constituency and part represented by the member for Haldimand-Norfolk (Mr. G. I. Miller). It has a number of important centres including the former towns of Waterford, Port Dover and so on. These no longer exist in that form, although fortunately the road maps of the province still indicate their existence because in fact they do exist.

One of the problems I want to bring to the parliamentary assistant's attention is that his senior, his master, his colleague the Minister of Municipal Affairs and Housing, is very anxious that a part of the city of Nanticoke designated as the new town of Townsend, not for municipal but for advertising purposes, grow at a reasonable rate.

All the money, now close to \$60 million, that we as taxpayers in the province have invested in it will eventually bear fruit and the people can be convinced, with all the blandishments the government is showering upon them, to move

into that area. I understand that, as of last fall, about 40 houses were built and occupied and there were a number of houses built and waiting to be occupied, but the population has changed hardly at all, if at all, since 1981.

Naturally we are aware that with economic problems many people are not considering moving. We are aware the housing market is quite static wherever one goes.

The government has gone to great lengths to persuade people to move into that area. It has inaugurated extremely expensive and professional advertising campaigns involving full-page, full-colour advertisements in dailies and weeklies. It has hired full-time public relations officers to make the place look vibrant and exciting. If the Chairman were to go down there, he would find it vibrant and exciting.

We have spent, as I said, \$60 million in providing the land and the buildings, a sewage system, recreation facilities, roads, lighting, ponds, ski trails and everything one could possibly think of. The only strange feeling when one goes there is that there are no people, or very few of them. The real problem is that the inadequate planning associated with that, which at some time might lead the minister to redesignate the area as its own municipality, is a tremendous commitment of public dollars.

I know it is difficult to get members of the Legislature interested in an area that is distant from their own concerns. In the backs of their minds they know there is some sort of fiasco going on there and that over the years all of these millions of dollars have been committed. I invite the members to go there and not to wait for the parliamentary assistant to rent a bus—which he has done in the past—because it is difficult to get people interested in it.

Right down the centre of the town is the dividing line between two school boards. It is difficult for those people who bought houses there thinking their children would be able to go to school with their friends, let us say under the jurisdiction of the former county of Haldimand, to find they have to send their children to a distant school by bus. In an effort to appease the feelings of the local citizens, the government, through the Ontario Land Corp., is actually paying the special fees necessary for young students to go from one jurisdiction to the other.

We are talking about an increase in population there and the possibility of a change in the designation of the town of Townsend. I wonder if the parliamentary assistant can report to the House if there is any change in government



policy in this respect. I know one of the concerns is the jurisdiction of the board of education.

One of the alternatives would be to pick out the area from the region surrounding the new town of Townsend and put it all together, either with the city of Nanticoke or with one of the other lower-tier municipalities, so the whole community would come under one school board rather than under the divided jurisdiction of two school boards. I suppose this bill would give the minister at least part of the power he would need to effect the kind of solution that has been pending for so long.

**5:20 p.m.**

One of the additional problems is that it involves the Minister of Education (Miss Stephenson) as well as the Minister of Municipal Affairs and Housing. The housing minister never comes into the House when we are discussing these bills. I know he has a good deal of confidence in his parliamentary assistant, who is sitting at the far end of the row where we can hardly see him in the mists of political—

**Mr. Wildman:** Oblivion.

**Mr. Nixon:** Oblivion is exactly the word I was searching for. Actually, I have quite a bit of confidence in the man myself because he knows far more about this than the minister. The only thing is, unless we can get the minister interested in the problem, we are not even going to approach a solution. The minister goes off to his ivory tower, wherever his office is, and contemplates the development of this new municipality.

He has even persuaded the regional municipality to vote in favour of a new regional headquarters that would be built right out in the open fields of the new town of Townsend in the city of Nanticoke in the regional municipality of Haldimand-Norfolk. He has provided the plans. He is lending them the money at subsidized interest rates.

He is providing the landscaping free of charge. He is buying back the old municipal buildings at something like \$600,000 for some ancillary use which he has in mind, and at the same time he is assuring the regional council that provincial government offices will move into this new palais royal that the government of Ontario is really requiring the regional municipality to build.

Obviously, whatever amount of money it takes, the minister of municipal affairs—who does not appear in the House even to listen to the debate on these bills—has decided that is

going to be the growth centre in Haldimand-Norfolk.

I wonder if the parliamentary assistant can give us any information as to whether this section 90 is envisaged to be used by the minister to change the status of the town of Townsend, which is sort of a mythical community within the city of Nanticoke, so it would have its own status, or whether the city of Nanticoke, which would be much preferable, would expand its jurisdiction to include the whole community so that at least there would be some rationalization and normalization of the school jurisdiction problem.

**Mr. Rotenberg:** Mr. Chairman, the purpose of this section is really simple and does not take in many of the things the member for Brant-Oxford-Norfolk (Mr. Nixon) has indicated.

All this section does is allow an existing local municipality, if such municipality wishes to apply for a change of status—from town to township, township to town or town to city—to change its status within its existing local boundaries by an order in council and it is not necessary for that municipality to come to the Legislature for a bill.

We have had several bills in the Legislature recently. North York changed from borough to city and Kanata changed to city. We feel that if a municipality at its request wished to change the status of its municipality from one to another—city, township, village, etc.—it can be done by an order in council and it is not necessary to come before the Legislature. That is all this section deals with.

The problems raised by the member for Brant-Oxford-Norfolk are proper concerns to him but, with respect, they are not dealt with in this section.

**Mr. Nixon:** I just want to say further that for all the numbers of municipalities that are going to ask for a change in designation, I really regret they are not going to come before the Legislature by way of amendment so there can be some discussion as to the development of the community. Rather, the whole thing is going to be hived off in some area where an order in council is prepared by some bureaucrat for the signature of a minister. He then gets the signature of another minister, they take it down to the Lieutenant Governor and the status of the community is changed that way.

What is the matter with bringing it to the Legislature? We are busy, but certainly not so busy that we do not want to have for ourselves the right to discuss changes in the status of the



municipalities within our own constituencies or even elsewhere. I really think the purpose of section 90, which reappears in the other amendments for the various regional governments, is unnecessary. I personally regret that the parliamentary assistant is asking for this special additional authority for his colleagues in the executive council to be able to change the status without returning to the Legislature.

I am not going to oppose it, because it does not make that much difference and we can talk about these changing statuses when we choose under other circumstances. I just think it is unnecessary authority, and I regret we are moving in that direction.

Section 90 agreed to.

Sections 91 to 100, inclusive, agreed to.

Bill 15 reported.

On motion by Hon. Mr. Norton, the committee of the whole House reported one bill without amendment.

#### DISTRICT OF PARRY SOUND LOCAL GOVERNMENT AMENDMENT ACT

Mr. Rotenberg moved, on behalf of Hon. Mr. Bennett, second reading of Bill 92, An Act to amend the District of Parry Sound Local Government Act.

**Mr. Rotenberg:** Mr. Speaker, this bill will make several changes in the District of Parry Sound Local Government Act. It will increase by two the number of councillors in the township of the Archipelago by adding an additional member to each of wards three and four. It will also empower in the future the Ontario Municipal Board to decide changes in the composition of the wards' structure in the municipality. The bill will also enable the clerk in his capacity as chief election officer to establish polling places within adjacent municipalities for the convenience of electors. These changes have been requested by the council of the township of the Archipelago and I would ask the support of the House for this bill.

**Mr. Epp:** Mr. Speaker, we are obviously going to support this bill, because we support the principle of it, and that is to give greater representation to two of the wards which we are told are under-represented at this time.

You will recall, Mr. Speaker, a few years ago when you were a relatively new member of this chamber, there was a considerable amount of discussion about the Archipelago. At that time we suggested there should be two municipalities, and the House at that time endorsed that

particular concept. There were two municipalities and, later on, the Minister of Intergovernmental Affairs (Mr. Wells) at that time, who was also Minister of Municipal Affairs, brought in an amendment which joined the two municipalities. As a result, we have one municipality now known as the Archipelago.

I thought the former municipalities were operating very well at that time. There was a fear down there that the government was trying to impose some form of regional government on this area. I think those suspicions have not completely died out and this fear is still there. When the government gets to that point when it wants to impose regional government on the area, we on this side of the House will do everything in our power to try to protect the people from that move. To date, it has not tried to do it, but who knows when it may try to bring in a bill to that effect?

The bill before us merely increases the representation of the two municipalities, and we support that. Although there are some other amendments, they are relatively minor and we have no difficulty with them.

5:30 p.m.

**Mr. Swart:** Mr. Speaker, I would like to comment on the bill and perhaps ask a question or two of the parliamentary assistant. I recall that this House, particularly the municipal affairs critics, spent a great deal of time in debating the matter of the formation of the new municipality of the Archipelago. We should remind this House that we almost came to the point where no movement was being made.

The Minister of Intergovernmental Affairs, myself and especially Colin Isaacs, the former member for Wentworth, got together, and it was the proposal of Colin Isaacs which provided the solution to the deadlock that we had reached at that time: namely, that there would be two municipalities. However, those municipalities could request amalgamation at a later time and the minister would have the power to determine whether that amalgamation should take place.

It was that compromise proposed by Colin Isaacs that brought about this Archipelago municipality, and so we have a vested interest in its health from here on. The bill which we have before us, if it is passed, probably will add to the health of that municipality.

The main part of the proposal before us is to provide representation more based on population than it is at the present time, and we support that.

Perhaps the parliamentary assistant will cor-

rect me if I am wrong, but I think I am correct in saying that the provision of subsection 3, empowering the Ontario Municipal Board, by application, to divide or dissolve the wards and to vary the composition of the council, is the same as that provided in all the other acts.

One thing that bothers me about this, and perhaps he will expand on it or explain it when he gets up, is that in the explanatory notes there is no suggestion made that the new wards are in any way different from the former wards. I believe I am right in saying there were wards there before. These descriptions cannot indicate, and one would need a map for this, what boundary changes are made. I hope he will inform us what changes have been made to those wards which existed before.

I would also like to ask the parliamentary assistant whether it is true any place else in Ontario that voting is permitted outside of the municipal boundaries. We would want to give some very close attention to this if we are setting a precedent here. I can understand that it makes things easier for people who may live in Parry Sound, for instance, and own property out in the Archipelago, to vote in the municipality of Parry Sound, but if it is setting a precedent then this House should be so informed.

Those are my comments and I await the answers of the parliamentary assistant.

**Mr. Rotenberg:** Mr. Speaker, in response to the member for Waterloo North (Mr. Epp), he is going to have a long wait until we bring in a bill for regional government because we have no intention of so doing. Nothing I have seen or heard in the ministry since I have been there for the past few years in any way indicates that will happen. I know the member for Waterloo North and I agree there should not be a regional government there. I am pleased he does agree with the government's policy at this time.

To the member for Welland-Thorold (Mr. Swart), the approval for a change of wards is normally done by a request from a municipality to the Ontario Municipal Board. These wards were set up by act and therefore the numbers have to be changed by an act of the Legislature. The member is correct that we are then putting them into the same status as other municipalities.

**Mr. Swart:** The boards won't change themselves. Is the description different to what was—

**Mr. Rotenberg:** I am going to ask. Unfortunately, the geography of the House is such that it requires that staff stay down there. I am just

getting the message. Yes, there are some new boundaries, some changes in boundaries.

**Mr. Swart:** Are they substantial changes, and if so, what?

**Mr. Rotenberg:** I am sending another message. I am sorry. I have a map of the boundaries in my file. I do not believe the changes are substantial but I will be able to answer that question for you.

As far as voting outside the municipality is concerned, this happened in the last election. I believe it was done under a ministerial order in the last election because many of these areas are on islands and during the winter it is a little difficult to get to them. The polling places are still within the district of Parry Sound. It is not setting a precedent that someone voting at a cottage area in Muskoka would be able to have a polling place in Toronto or in other municipalities. The legislation is very definite that the voting has to be in an adjacent municipality, which allows them to be on the land adjacent to it but not anywhere distant from the municipality.

In a moment I hope I will have an answer for the member for Welland-Thorold about any substantial changes in the ward boundaries. It is my understanding there are not any, but I will confirm that for the member within a very short period.

I am informed the changes are just technical changes because the old act had the two towns of North Archipelago and South Archipelago, but because we are going into one town—the Archipelago—there are some technical changes being made. There are no real changes in the actual boundaries of the ward. I think that answers the member for Welland-Thorold.

**Mr. Swart:** With one exception: Is this the first time there will be voting permitted outside the boundaries of a local municipality for the—

**The Deputy Speaker:** You are out of order, but—

**Mr. Rotenberg:** It is the first municipality. As indicated, this was done during the last election in this municipality but it is the first municipality where it has been done. With those questions answered, I would ask for the approval of the House for second reading.

Motion agreed to.

Ordered for third reading.

#### MUNICIPAL BOUNDARY NEGOTIATIONS AMENDMENT ACT

Mr. Rotenberg moved, on behalf of Hon. Mr. Bennett, second reading of Bill 62, An Act to



amend the Municipal Boundary Negotiations Act.

**Mr. Rotenberg:** Mr. Speaker, the Municipal Boundary Negotiations Act, 1981, which was debated in this Legislature and in committee, provided a new system for altering municipal boundaries. So far, that process has been quite successful in resolving some boundary disputes which previously had required long legal hassles. The new process, so far, is working out well.

The purpose of this bill is to allow a municipality that requested the OMB to alter its boundaries under the former system—that is, which made an application under the former system before the Municipal Boundary Negotiations Act, 1981, came into force—to withdraw its application before the OMB.

This amendment is necessary because section 24 of the Municipal Boundary Negotiations Act, the one we passed last year, states that the OMB shall hear and determine issues before it at the time the act was passed. This transition section is thought not only to instruct the Ontario Municipal Board to consider seriously what is before it but also to make it impossible for an applicant to withdraw his application.

**5:40 p.m.**

That was not the intention of the bill when we brought it to the Legislature last year. The intention was that any matter before the OMB would continue and the OMB must hear such application if it is continued before the board. This bill will make it clear that a municipality has the same ability to withdraw an application to the board that it had prior to the coming into force of the Municipal Boundary Negotiations Act.

I point out to the House that I think it is a principle in law that anything before the OMB, any person who does make an application to the OMB or to any court, has the right to withdraw an application before it is heard or even during the hearing of the application.

The purpose of this bill is to clarify a section that some lawyers feel would not allow a municipality to withdraw an application that was brought before the OMB before the new system came into being. If it wishes to, it may make a new application under the new system.

**Mr. Epp:** Mr. Speaker, can anybody tell me whether the Minister of Municipal Affairs and Housing (Mr. Bennett) is still a member of this Legislature? I have not seen him during any of these bills. He has not presented any of the bills,

with the exception of introducing them for first reading in the Legislature, since the bill to merge the two ministries was introduced. I am just wondering whether anybody can tell me if he is still around and functioning as the minister.

I notice, in some of the other ministries, at times the minister carries a bill and at other times the parliamentary assistant carries it. I find that quite acceptable. But in this case I wonder whether I could have that question answered before we proceed.

**The Deputy Speaker:** I am sure the parliamentary assistant will be willing to respond in the fullness of time.

**Mr. Epp:** He will respond in the fullness of time? Okay. Perhaps he can answer that for me, because I am really curious. We keep on hearing the ghost name of “Bennett,” but there is no Mr. Bennett. If the parliamentary assistant is going to do all the work, perhaps he should be paid accordingly.

The parliamentary assistant refers to the new procedure with respect to boundary disputes. As he said earlier, this procedure was endorsed wholeheartedly and, I think, unanimously by this Legislature in 1981. The procedure is a good one, whereby there will be an honest attempt to try to resolve boundary disputes between two or more municipalities by appointing some form of arbitrator. Obviously we endorse that. I understand from his comments and others that it is working fairly well.

However, we have a different application here. We find under this bill that retroactive legislation is being introduced. For that reason, we cannot really support it unless it goes to committee. We would very much like this bill to go to committee.

Under the old legislation, municipalities could apply to go to the OMB and have those various boundary disputes resolved. That is what has happened in the case of Tiny township and Midland and so forth.

What we find is that all of a sudden one of the municipalities can withdraw its application, saying, “We do not like that procedure; we want to go under the new procedure,” despite the fact that it has proceeded at some cost under the old one. We find that unacceptable.

Just because municipalities such as Tiny and Vesper townships are small, they should not be discriminated against. They should have a chance to appear before the committee. I have asked the parliamentary assistant to permit them to come before the committee and make their presentation, as they very much would like to

do. They have some points they would like to make. I do not know all the points they want to make, although they have sent me a considerable amount of literature. I think they are best able to present those points themselves.

Last week in the standing committee on general government, when we dealt with Bill 28, we had three delegations that were able to present their side of the picture very forcefully. We would like to give these townships the opportunity to do likewise; so I appeal to the parliamentary assistant.

I know his colleague the member for Simcoe East (Mr. McLean), who is in the House, personally prefers that this matter go to committee. I hope he will speak to the matter and do whatever he can to persuade the parliamentary assistant to let this bill go to committee.

On this side of the House, we believe those townships should have an opportunity to appear. If they do not, what the government is saying is that it is introducing retroactive legislation. At best, retroactive legislation is not acceptable.

**Mr. Breaugh:** Mr. Speaker, I want to speak briefly on this bill—

**Mr. Nixon:** Who is holding the fort downstairs?

**Mr. Breaugh:** Do not worry. The fort is being held. It is in safe hands.

One of the difficulties when one looks at this bill is that it deals with an argument not mentioned in the bill. If one looks at the title of the bill, we are talking about amending the Municipal Boundary Negotiations Act, 1981. It is difficult to relate that to the basic argument here between Tiny township and surrounding municipalities. Going into the history of that, it does seem to have a whole different set of arguments other than what is stated in the bill.

When one talks to the individuals involved, one begins to see the point of view of Tiny township and to think that the minister quite niftily has been, in a series of correspondence outside the Legislature to the township of Tiny, a little less than straightforward, I guess one might say, as to how he is proceeding with this. He is kind of nasty in tone when he is writing to Tiny township and fairly straightforward in tone when it comes to presenting legislation to the House which fails to mention, oddly enough, any part of the argument.

One requires a little background to this before one begins to understand the purpose of the bill, which is essentially to get around a process that had already begun.

I have to say that this party supports Tiny township. Tiny township has done what was expected of it in days previous. It has really decided—

**Mr. Laughren:** With a name like that, I would support them no matter what they wanted.

**Mr. Breaugh:** The member for Nickel Belt (Mr. Laughren) has an affinity for the word “tiny.”

One really has to say that here is a small rural municipality in Ontario that played by the rules, accepted this government's version of how boundary disputes should be handled, went to the expense of preparing its arguments and is still prepared to go that original route. In other words, the rules of the game were clearly laid out.

I must point out to most of the members who have some interest in this, but do not have a background in municipal politics, that it is not easy for a small, rural municipality to gather up the legal wherewithal and head off to the Ontario Municipal Board to argue a dispute like this.

The township has said in the past, and says now, it is prepared to go by that set of rules. It is prepared to gather up the arguments and place them before the OMB. It seems to me the rules were clear and it is most unfair for the minister now to proceed with this kind of legislation.

It is particularly galling for me to see that the minister is not present when he is doing that. If the minister wants to write the letters and participate in the debate outside of the Legislature, it seems only fair and reasonable that he ought to be inside the Legislature when the actual contents of the bill are being debated.

If he wants to have that argument, fine. Let him get in here and have it. What I object to is that he has the argument his way, when he wants it, by means of corresponding with Tiny township, but he is not here this afternoon to debate this bill.

**5:50 p.m.**

We support the efforts of one small rural municipality against the government of Ontario. It asks not for very much: only for fairness, only that the rules stay the same, only that the arguments be presented in the manner that they were first put to Tiny township, which was that this dispute has to go before the Ontario Municipal Board.

The township is prepared to do that. It seems to me that they have been eminently fair and eminently reasonable, and that the minister has



been unfair and prejudicial and he now proposes retroactive law. He is removing a substantive right of the township of Tiny to a fair hearing. That seems to me to be bad news, unfair and an unrealistic way to propose a resolution to the problem.

I will say, as other members have said, that I would very much like, just as a measure of fairness, to provide that this bill go out to committee and that Tiny township be allowed to do what it cannot do when the bill is debated in the House, which is to appear before a legislative committee and, not at great length but with some detail, put forward its case. It seems to me that is not an unreasonable request. Yet I have seen correspondence from the minister which I believe says he does not want that to happen.

I do not know what Tiny township has in its arsenal of weapons. I do not know whether they are nuclear-equipped up there. However, they seem to have managed to do something which the government is really frightened of, and that I do not understand.

It seems to me to be a reasonable process that this bill should be referred to committee and that a day or two should be set aside so that Tiny township might come before a committee of the Legislature. I see the negotiations that are going on, and I wish the government good luck in convincing the parliamentary assistant. Maybe we should set aside the business of the day until the government in-house dispute is resolved.

**Mr. Laughren:** One is as stubborn as the other.

**Mr. Breagh:** I will put my money on His Whipship.

**Mr. Laughren:** I wouldn't put much money on him.

**Mr. Breagh:** This argument might go on for a while, Mr. Speaker.

At any rate, it seems to me not unreasonable at all for members of the House to say: "Let Tiny township have its day in court. Let it come down to Queen's Park. Let it face the Goliath head on, as it is prepared to do. Let it put forward the argument to see whether Tiny township has been dealt with fairly by the government of Ontario."

I must say that in my review of the correspondence back and forth between the minister and Tiny township and in reading the brief which Tiny township has prepared, it seems to me the answer to that is crystal clear: they have not been dealt with in a fair way. They deserve an

opportunity to appear before a committee of the Legislature. I am prepared to say that it would not have to be a lengthy, expensive set of hearings. It could be handled in a wise and judicious manner. I am hoping that the eminent good sense of the chief government whip (Mr. Gregory) has prevailed and that he is—

**The Deputy Speaker:** All right. We have heard enough. Let us hear what he has to say.

**Mr. Breagh:** Mr. Speaker, you can try that one on for size if you want, but I want to tell you, you are going nowhere with that act. I am prepared to yield the floor for a moment to allow the parliamentary assistant to tell me that they have relented.

**The Deputy Speaker:** No, this is it. You either sit down and he is on, or—

**Mr. Breagh:** If you want to put it in those terms, you can sit there and I will stand here and we will go on for a little while. I was trying to be reasonable and provide him with an opportunity, just briefly—

**Mr. Rotenberg:** On a point of order, Mr. Speaker: I would be prepared to do that, with the agreement of my critics, if we could get this out for one short hearing and back before we rise for the summer. I have no objection. However, it is vital to municipalities other than Tiny to have this legislation in place, because other municipalities have an imminent need for this for different reasons.

I think the chief government whip has indicated to me that we can have a hearing at some committee on Monday, with no advertising; just get Tiny down here to make a presentation, we will hear them and then get it back, whatever we do. I am prepared to make that proposal when it is my turn to speak.

**Mr. Epp:** Mr. Speaker, speaking to that point of order: I would be glad to go along with that. I think one day might very well be sufficient, but I am not sure we should make it Monday. It may have to be Wednesday to give the municipality time to get ready to come—as long as we can make some accommodation for next week, certainly before we rise next week, so that the bill can come back for third reading and royal assent.

**Mr. Ruston:** One day.

**Mr. Epp:** One day; that is all.

**Mr. Breagh:** Mr. Speaker, I have never seen such revolutionary action so quickly in this House. We brought the government to its knees on the matter. I want to clarify that, because we

have had a little trouble with agreements carried on outside the House.

**The Deputy Speaker:** Let us not get into that.

**Hon. Mr. Gregory:** You are the only ones with trouble. We have had no trouble.

**Mr. Breagh:** I have had no trouble. I have had more press on that agreement outside, and I was not even there. I want to get on the record that we now have all three parties agreeing that this bill will go to a committee next week for the purpose of hearings from Tiny township. With that clear understanding written in the Instant Hansard and duly witnessed by thousands in here, I am prepared to sit down.

**Hon. G. W. Taylor:** Mr. Speaker, on the point of order: I would like to bring it to your attention that the member for Simcoe East (Mr. McLean) and the member for Simcoe Centre (Mr. G. W. Taylor) have been putting forth material and saying this matter should go before a committee. I agree that the matter should go before committee. There might be other townships before the committee as well as Tiny township willing to speak to this matter. There are some other townships that are concerned. I would like that put on the record. It was not, as the member for Oshawa (Mr. Breagh) would like to think, only through his efforts. I would not like the record to say that he did it solely, as he so often does.

**The Deputy Speaker:** That was a great point of order.

**Hon. G. W. Taylor:** I am also telling the member that he is doing Tiny township a disfavour.

**Mr. Rotenberg:** Mr. Speaker, in my two minutes, I would like to say to the House that the two members from Simcoe indicated to me several weeks ago that, if we had time, they would like this to go to committee. I thank the members opposite for their agreement to do this

quickly, so we can get it to committee to satisfy all the people.

I wish to point out to the member for Waterloo North (Mr. Epp), because he asked if the Minister of Municipal Affairs and Housing was still a member, that yes, he is still the member for Ottawa South and a member of this Legislature.

I also want to point out that there are a number of other municipalities that need this bill in a hurry, because they want to proceed under the new legislation. This is not retroactive legislation; it has always been in the legislation that a municipality could withdraw from an OMB hearing. It was not the government lawyers but outside lawyers who raised the possibility that the act, as passed last year, might not allow this. We want to make all the lawyers happy, and that is the only reason for the amendment.

I also wish to mention that the amendment allows Tiny township to get costs if the application is withdrawn from the OMB, which it could not now; so it is in its favour.

One other point is simply that the best Tiny township can do, if it has a hearing with the OMB, is to win and get the application dismissed, which it wants to do. If Midland withdraws its application, it will win without a hearing and it is further ahead. Even so, if it wants a hearing before the committee, we will consent to this. Therefore, I will ask to have second reading and then I will move that this go to the standing committee on administration of justice. If it has to be another committee, we can bring in another motion.

Motion agreed to.

Ordered for standing committee on administration of justice.

The House recessed at 6 p.m.



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Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics (Muskoka PC)  
Mitchell, R. C. (Carleton PC)  
Nixon, R. F. (Brant-Oxford-Norfolk L)  
O'Neil, H. P. (Quinte L)  
Peterson, D. R. (London Centre L)  
Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)  
Reid, T. P. (Rainy River L-Lab.)  
Renwick, J. A. (Riverdale NDP)  
Rotenberg, D. (Wilson Heights PC)  
Roy, A. J. (Ottawa East L)  
Ruston, R. F. (Essex North L)  
Sargent, E. C. (Grey-Bruce L)  
Sterling, Hon. N. W., Provincial Secretary for Justice (Carleton-Grenville PC)  
Swart, M. L. (Welland-Thorold NDP)  
Sweeney, J. (Kitchener-Wilmot L)  
Taylor, Hon. G. W., Solicitor General (Simcoe Centre PC)  
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Walker, Hon. G. W., Minister of Industry and Trade Development (London South PC)  
Wildman, B. (Algoma NDP)  
Wiseman, Hon. D. J., Minister of Government Services (Lanark PC)  
Wrye, W. M. (Windsor-Sandwich L)













Ontario, LEGISLATIVE ASSEMBLY

No. 93

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Tuesday, June 29, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Tuesday, June 29, 1982

The House resumed at 8 p.m.

## HEALTH PROTECTION ACT

Hon. Mr. Grossman moved second reading of Bill 138, An Act respecting the Protection of the Health of the Public.

**Hon. Mr. Grossman:** Mr. Speaker, the new health protection act is designed to renew the public health system in this province and to bring our public health legislation in line with present day needs and requirements. Today, we see all around us growing numbers of people who want to live healthier lives with healthier life styles and family relationships. This new act will, we think, provide needed support for these concerns.

It will provide the counselling, education and health maintenance programs which individuals and families need. It will guarantee to all citizens of Ontario a basic core of preventive health services. The act places responsibility for delivery of public health services on the 43 local public health units, and it will clarify the roles of the units, the boards of health and the medical officer of health in each of our communities.

Specifically, this bill will establish a set of seven standard, or core, services in all parts of Ontario. Let me note the several areas that are specified: (1) community sanitation; (2) communicable disease control; (3) preventive dentistry; (4) family health; (5) home care; (6) nutrition; and (7) public health education. The bill will require boards of health to provide or "to ensure the provision of" these designated services. That will encourage the boards to work with other local agencies in planning and delivering programs and will give them a considerable degree of flexibility.

The details of the programs to be delivered to our communities in each of these seven areas of public health are now being developed. Over the past several years, we have set up a consultative process which includes representatives from the various health disciplines employed by boards of health as well as various ministry officials. Consequently, we will have a set of core programs designed by practitioners to reflect community needs. We have the endorsement and support of the association of Ontario boards of health.

As an example, I mentioned the strengthening of responsibility among medical officers of health for immunization levels in the community. You will be aware, Mr. Speaker, of the other bill before you through which I hope later this evening to introduce universal immunization as a companion piece to this legislation.

The health unit will have to ensure the provision of immunization services and information through regular clinics and links with family doctors. As well, family health programs will include a wide range of services from prenatal to geriatric. Local boards will ensure the evaluation of the hearing and vision of every pre-schooler, and they will identify and monitor the conditions of high-risk elderly people in their own homes.

The boards will serve as centres for the prevention and management of lifestyle diseases and the prevention of home accidents. To satisfy growing interest among many Ontario residents, all public health units will provide information about diet and nutrition. At the moment, only two thirds of the boards of health make available that essential support and information. The boards will be required to offer fluoride therapy, oral hygiene and dental education services to school children.

The core programs will be implemented over a few years in a steady and careful manner, giving those health units that need it the time to adjust. Phase one of the implementation will be introduced across the province in the first year or so. Subsequent phases will follow in order over a period of four or five years, according to local circumstances, needs and priorities.

This proposed legislation is the result, I would remind members, of suggestions and recommendations in literally hundreds of briefs and from thousands of interested parties who co-operated and held dialogues with our ministry. I look forward to the comments this evening, and also to the input of members of the public and people who are particularly interested in and affected by this legislation when it does reach committee stage.

On balance, I believe that this bill, when it is finally passed in whatever form, will ensure that citizens of our province will be offered the benefits of preventive health care, an objective that I am certain we can all support.

**Ms. Copps:** Mr. Speaker, I would like to start by congratulating the minister for acting very quickly in his new role as Health minister on an issue that has been literally festering for a number of years. I spoke today with someone from the board of health in Toronto who had been employed there for over 30 years, and during that whole period of employment this person was expecting a new Health Protection Act. So I think it is a step in the right direction.

Certainly, there are a number of areas that give me some cause for concern, and I would particularly like to bring to the minister's attention the fact that, as he may be aware, the Association of Municipalities of Ontario seems to have been in some confusion over the bill in the last few days. Because the Health Protection Act was introduced at a time so close to Bill 142, many members questioned whether the ministry was attempting to push it through very quickly. As critic for the Liberal Party, I did point out that it will be going to committee, where it will get an extensive airing.

I might add also that a number of board chairmen to whom I have spoken have been unable to acquire copies of the bill. However, it is interesting to note that most of the medical officers of health received copies as soon as the legislation was introduced. I think this is an area where we could be a little more efficient and effective, particularly since the chairmen and the chairwomen of the boards of health do represent the democratic input that is essential to keeping our boards of health operating in a fair and equitable manner.

We have some concerns over the bill, particularly with regard to the legalese. I spoke today with the chairman in Metro Toronto—I believe the minister probably recognizes her as his eminent opponent in the last provincial election, Anne Johnston. The staff for the city of Toronto advised me that if the legislation were introduced in its present form, it would create virtual havoc in the city of Toronto simply because the legal wording of the bill states that the employees are employees of the board, whereas in the city of Toronto they are employees of the city rather than of the board. So there certainly is a need for some changes in the actual technical drafting of the bill in order to avoid the kinds of very serious legal problems it could create for municipalities such as the city of Toronto.

Other concerns I have heard aired across the province relate to a seeming and apparent shift in authority and responsibility from the boards

to the medical officers of health. Certainly, I do not think the fact that the Ministry of Health itself is peopled by some former MOH employees would have nothing to do with the fact that the thrust of this particular bill seems to weigh more heavily on the side of the MOH than on that of the board as compared with the previous legislation.

**8:10 p.m.**

We have some other concerns. Specifically, the fact that a number of areas of health protection and certain health professionals were ignored in the legislation; especially the nursing profession, which to my mind at the moment plays the most extensive role in the area of delivery of public health across the province, has been virtually ignored in this particular piece of legislation. Certainly that is something we will have to make amends for when we go into committee with the bill.

In the main, I believe the administrative changes that have been wrought in the bill are to be supported. With some very significant changes with respect to the power of the Ministry of Health vis-à-vis the boards, I believe we will be able to work with the minister in trying to finally bring to fruition an Act respecting the Protection of the Health of the Public, which has certainly been a long time in coming.

I want to congratulate the minister for getting this act on the floor so early in his tenure. I would like to warn him that we, in our party, will be fighting to make some very significant changes in the new thrust of the bill, particularly with respect to the power structure within the boards of health and, I might add, with respect to the fact that the fines for individuals have been increased substantially while there has been absolutely no increase for the corporate sector as compared with the previous act.

If the minister were to take into account the number of years since the introduction of the last Public Health Act, he might be looking at some changes in this area as well and we will be making some of those amendments during the course of the discussions come September.

I am looking forward to it and I want to congratulate him on at least a step in the right direction.

**Mr. McClellan:** I will be brief, Mr. Speaker, but not quite that brief.

I should tell the minister right at the outset that we have not just concerns about the new Health Protection Act but very serious reservations about that act and we intend to express



those by voting against the bill on second reading.

I want to spend a few minutes trying to set these concerns before the minister so he will understand them and perhaps he will even be moved to inch towards those concerns as we get to public hearings in the fall and the clause by clause deliberations on the bill.

I should start by stating the obvious, that public health is low on the totem pole in Ontario's health care system. In 1982, it has been relegated to a kind of subsidiary status, almost a kind of dustbin status. The evidence of that was before us once again a couple of days ago on the steps of the Legislature when the striking public health workers from the Niagara Regional Health Unit came here to Queen's Park.

I think there has been a major strike at a public health unit almost every year since 1975, when I was elected. What is characteristic of each of these strikes is not that they happen, but that they drag on for months and months and that there is always the same response from the local board of health: "Nobody is at risk; nothing is wrong; nothing is out of sorts; nobody is in any difficulty. Do not worry about these strikes." The medical officer of health will make statements reassuring everybody that there is absolutely no risk to anybody. They are saying almost: "It really does not matter if we shut down entirely, does it? There are no consequences."

Contrast that with the high drama that accompanies a strike of doctors or interns or hospital workers when the hospital sector of the health care system is temporarily disrupted by a strike. It is a moment of high crisis in the politics of this province. It is the kind of thing that tests the mettle of Ministers of Health and even, in a more peripheral way I may say, Health critics. It is a matter of enormous public consequence, which contrasts with the utter indifference that characterizes a strike at a public health unit. It simply speaks to the kind of irrelevance into which public health care has sunk in the latter part of the 20th century in this province. It was not always like that. Public health did not always receive the little itty-bitty share of the Health budget, between one per cent and two per cent of the total Health budget. It was not always like that.

In the 19th century, public health care was the leading edge of progressive medicine and medical reform. It was the component of the health care system that was publicly funded and

supported, sponsored by the state, in contrast to the hospital care system which was private, philanthropic, charity medicine. In the 19th century, preventive medicine was state medicine and curative medicine was in a sense subsidiary. How ironic it is those roles have reversed so completely that we can shut down public health units and the leading officials disclaim any consequences of any kind whatsoever.

If the minister is really serious about restoring a balance between curative medicine and preventive medicine, he has many miles to go. It will take much more than rhetoric and statutory language to make that happen. The minister knows that. I am not saying anything the minister has not already given a great deal of thought to.

The problem is that from where we stand, Bill 138 appears to be good 19th century legislation. It would have been a good public health act if it had been implemented in 1882 or even 1922. I am not sure it is adequate for 1982. This is the principal concern I have. I do not see in the legislation the kind of focus on the social and community origins of disease that a 20th century public health act ought to have.

In his opening address, the minister spoke about preventive medicine for individuals and families as though the origin of disease was principally with the individual and the family. That is the traditional notion, but I am not sure we are at the leading edge any more by a long shot.

My concern is Bill 138 ignores the fundamental issue of occupational and environmental health. Occupational and environmental health are not core programs under this act. They are not enshrined in the act as mandatory for each and every public health unit across the province.

The language of the act is quite clever in that it permits a board of health which is already engaged in occupational or environmental health to continue its work. For example, the Toronto board of health took a pioneer role in environmental medicine in its crusade against lead pollution. The minister will remember that battle since it took place within his own riding.

The Toronto board of health has established as part of its mandate and part of its role that it is engaged in environmental health issues and is prepared to go through difficult paths to challenge environmental offenders, as it did with Toronto Refiners and Smelters Ltd. in the minister's own riding and with the other two lead refiners that were polluting the south end



of the city of Toronto and causing much harm to children. That kind of board of health is able to continue, at least I think they are not prevented from continuing. I need some reassurance because I am not positive, but I do not see, and I am sure I am correct in this, that it is the mandate of each and every other board of health to adopt the same role vis-a-vis environmental health matters.

**8:20 p.m.**

My wife's family comes from the north end of Hamilton. I know a little bit of what I am talking about from personal experience. We know of the kind of environmental pollution from Stelco and Dofasco in the north end of the city of Hamilton. We know from the studies of Dr. Cecilioni that the incidence of lung cancer in the north end of Hamilton is five times that of adjacent areas. If I may say to the Minister of Health, I know that from personal experience. Members of my own family who lived in the north end of Hamilton have died of lung cancer. I know what I am talking about.

I have heard the deafening silence of the Hamilton board of health on this matter, and so have many other thousands of people. When they know there is a whole community living in the shadow of death because of environmental pollution from an industry and hear the silence of the public health function of the public health department, they ask themselves, "What use is it, what value is it, if it does not engage itself in these kinds of concerns; if it does not take the kind of role the Toronto board of health has tried to take with respect to exactly these same kinds of concerns?"

I am not satisfied, to the point I must vote against the bill, that the core programs lay down the requirement that at the end of the five-year implementation period each and every board of health in the province and each and every health unit will be engaged in the fight against environmental health hazards.

One would not have a sense from reading the act that cancer was the second leading cause of death in Canada, that we are in the midst of a cancer epidemic. One would not know that from reading this piece of legislation.

I may say, in parenthesis, that the minister lists virulent diseases under subsection 1(31) of the act. He does not include cancer and I understand why not. However, he does list smallpox. Did nobody point out to the Minister of Health that smallpox has been declared eradicated by the World Health Organization? The minister of everything may believe that the

principal function of public health is to eradicate diseases like smallpox: the point I am trying to make is that in the latter part of the 20th century one of the principal functions of public health should be to engage itself with the cancer epidemic.

The National Cancer Institute in the United States estimates that 20 to 40 per cent of all cancer is caused by substances in the work place. A conservative estimate based on these figures indicates that cancer in the work place kills at least 10,000 Canadian workers every year. The former director of the US National Cancer Institute was quoted as saying, "Cancer in the last quarter of the 20th century can be considered a social disease, a disease whose causes and control are rooted in the technology and economy of our society."

It is just not good enough that the new public health act is either silent or completely ambiguous with respect to the mandatory nature of its engagement in this particular medical struggle. The relationship between occupational disease and environmental disease is not touched on by Bill 138.

The relationship is very simple. Environmental contamination is a result of work-place contamination. The breeding ground for environmental contamination and environmentally caused disease is the work place. The analogy between the malaria epidemic and the stagnant pond or swamp is a valid one with respect to the relationship between occupational and environmental disease. Yet, I may say, the act is entirely ambiguous and muddled on this most important question.

We know the record of this government. As recently as last week we had evidence that the Ministry of Health is not engaged in this kind of concern. The boards of health in some of our regional boroughs are not engaged in this concern. We learned on Friday that the radioactive soil deposited in Scarborough had produced radioactive lead levels 46 times higher than expected in children. We have known of that hazard for a couple of years, but neither the Ministry of Health nor the Ministry of the Environment have taken any action.

Once this act is passed and the implementation period is over, it is entirely unclear, at least to me, that any public health unit would have the responsibility to engage itself in the removal of that contaminated radioactive soil. I suspect it would be a matter of local option. If a local board of health felt its job was to pioneer in that area, it would respond in an appropriate way.



On the other hand, if it did not it would not. There is no indication that the mandatory features of the act are binding.

A final example that comes to mind is Sudbury. After decades of neglect of occupational hazards, reflected in mining deaths and pollution diseases, suddenly we discover that the entire province is at risk from the environmental contamination that flowed out of that workplace hazard. Unless the public health units are prepared to deal with the contamination at source in the work place through some kind of liaison work with the occupational health and safety division of the Ministry of Labour and with the Ministry of the Environment, they will be as useless in this struggle as a health professional in the tropics without the capacity to spray malarial swamps or inoculate populations against traditional contagious diseases. I think that is where this act fails us and many people agree.

Let me deal quickly with some additional concerns. I would ask the Minister of Health, "Whatever happened to mental health?" Originally, it was one of the core programs. I believe there was even a core program committee. It seems to have evaporated.

I used to work for a public health unit in one of the old federally-sponsored community mental health programs. I thought pioneer work had established there is a valid and vital role for public health units in the provision of mental health care services and preventive mental health services. I do not however claim to be any kind of proof.

**8:30 p.m.**

**Mr. Nixon:** You used to work for John Yaremko.

**Mr. McClellan:** I have had all kinds of lousy jobs.

Seriously, the Toronto Public Health Board has done the best analysis that I have seen of the problems at Queen Street and the problems confronting ex-psychiatric patients. They are obviously engaged in this issue in a very constructive way. They will be able to continue that on the basis of local option.

There is nothing in the act that will lead and encourage, let alone require, other public health units to be engaged in preventive mental health work. That is a fundamental and serious omission from this act. It is even more tragic because originally it was seen as part of the core program.

Another point is regarding the elderly who

are given such short shrift, a subordinate clause in clause 5(4)(iv), "Provision of health services to infants, pregnant women in high-risk health categories and the elderly." That is very helpful. One of the difficulties we have in assessing the role of public health units vis-à-vis the elderly is the fact that the new home support policy is still under lock and key in somebody's office safe.

Maybe it is in the vault of the Minister of Health. It sure is not in the vault of the Provincial Secretary for Social Development (Mrs. Birch). I think it has been stolen from the vault of Minister of Community and Social Services (Mr. Drea), who is in the invidious position of having to once again give a big piece of his turf over to the Ministry of Health.

The battle is between the Ministry of Health and Ministry of Community and Social Services for pre-eminence in the provision of services to the elderly. How competitive these ministries are in the interest of the public good.

**Hon. Mr. Grossman:** What do you think should happen?

**Mr. McClellan:** The Minister of Community and Social Services has lost and the Minister of Health has won, but the policy has been delayed by this territorial struggle between the two ministers for about one and a half years. I understand it will be released this fall. I understand the policy is virtually complete. It is at the policy field.

I am really pleading with the minister to have the policy released in time for the committee to have it as part of its deliberations. I do not know how we are supposed to assess the impact of Bill 128 on the elderly and to make intelligent decisions about the role of the public health department in providing services to the elderly when we do not know what the provincial policy is.

There are enough indications of its general direction that we rather assume that public health units will somehow be at the hub of the geriatric care system, but we would like to be able to discuss these matters intelligently. I think we can be helpful to the minister if he will share that policy with us. Again, I ask him if he will try to persuade his colleagues to make that document available to us before we begin our public hearings on September 7.

My colleague the Liberal Health critic touched on the next set of concerns that I want to raise under the rubric of authority and responsibility. First, the public health nurse is given a mere mention despite the fact that the public health nurse has been the main service provider for

most of this century. I gather the phrase "public health nurse" had to be added as an afterthought in response to protests from the nursing profession.

I would have thought that a public health act in the latter part of the 20th century would have spelled out the professional role of the public health nurse with some degree of clarity rather than ignoring it entirely and saying, as an afterthought, that the board may hire public health nurses *inter alia*.

Secondly, concerning the role of the public health board, I have to confess not to understand the role of the local board of health. I make that confession. I have no idea why anybody would want to serve on a local board of health under the terms of this statute. They have no authority and they have no responsibility; they are there as handmaidens of the medical officer of health, the chief medical officer of health and the Minister of Health.

All they are expected to do is forward names in nomination to the minister for ratification, as far as I can see. I do not see that the act confers on them any duties of any consequence whatsoever. The real authority and responsibility are vested in the medical officer of health, who is, of course, ultimately accountable not to the local board of health but to the Minister of Health, to the province of Ontario whose creature he or she is.

I do not think the kind of phenomenon I started to describe at the beginning of my speech with respect to these strikes, the expressed indifference on the part of local boards of health to whether or not their function is even carried out, will change until real authority and responsibility are vested in those local boards of health, until their relationship with their municipal councils is clarified, until their relationship with the province is clarified and until their relationship with the district health councils is clarified. Right now it is a complete muddle. The only thing that is clear in this act is that the minister intends to increase the number of provincial appointees.

Section 47(3), if I understand it correctly, increases the number of provincial appointees quite dramatically. Am I wrong? The minister is sphinxlike in his silence. I understood that in the old act there was a maximum of three provincial appointees; now we can appoint as many as—I have temporarily lost track; my apologies, I have lost count. I understand it is possible to increase the number of provincial appointees but my notes elude me as to what the new

numbers are. I understand there is a dramatic increase.

**Hon. Mr. Grossman:** An increase of two.

**Mr. McClellan:** An increase of two per board. At any rate, the previous ratio, I think, was seven to three. The new ratio is 50:50.

**Hon. Mr. Grossman:** No, it must be a minority.

**Mr. McClellan:** Am I wrong? At any rate, I may be off base on this; I am always the first to concede that I am off base.

I suspect, however, that there is an increase of provincial appointees which simply reinforces the trend I am expressing concern about, and the trend is the provincialization of the health departments.

This may be a matter of deliberate policy, and maybe the minister, in response again to the phenomenon I started my speech by describing, has chosen to take the route of centralizing authority in order to combat the phenomenon of indifference and neglect and malaise that afflicts our public health program, but it is absolutely clear that authority and responsibility within the public health unit are vested in the medical officer of health.

I do not understand why the minister has chosen to enshrine licensure by statute in the new act. I do not know why it is necessary for the chief executive officer of a public health unit to be a medical doctor. I do not know why it is necessary for the chief executive officer to be called the medical officer of health. I do not understand why section 61 of the act is in there: "No person is eligible for appointment as a medical officer of health . . . unless, (a) he"—that is sexism there—"is a physician"—

**Hon. Miss Stephenson:** It is a generic word.

**Mr. McClellan:** —I understand that—"possessing the qualifications prescribed by the regulations and the minister approves the appointment."

8:40 p.m.

I know there are a number of public health doctors in the ministry.

**Hon. Mr. Grossman:** Very fine ones, too.

**Mr. McClellan:** Yes, I admire their work. The minister knows that. But in 1982 it is not necessary to appoint a medical doctor as a medical officer of health. In fact, many people argue very persuasively that the whole notion of a medical officer of health as the chief executive officer of the health unit is a 19th century concept, rooted in the historical evolution of



the public health movement, and that the requirements today are almost exclusively administrative. There is no guarantee that the appointment of a medical doctor along the traditional appointment lines will guarantee anything other than what we have seen in so many instances: it is a cushy retirement for a faithful medical servant. The minister knows what I am talking about. It is a serious mistake to continue the tradition of appointing doctors as chief executive officers of health departments, regardless of the true nature of their function.

Somebody suggested to me, after reading all the sections that set out the powers of the medical officer of health, that the act is almost silent on the powers or responsibilities of the board of health and that the act should really be entitled the medical officer of health protection act. The most interesting position in the act is that of the chief medical officer of health in section 78. This person seems to have more power than even the Minister of Health. I am sure these are errors of draftsmanship, but it may come as a surprise to you, Mr. Speaker, that the Minister of Health is required under the statute to appoint the chief medical officer of health. It does not say he "may" appoint. It says he "shall" appoint the chief medical officer of health.

Section 79 and subsequent sections give the chief medical officer of health the same extraordinary powers as were given to the trustees of the Toronto General Hospital in that extraordinary bill we passed, which we were assured was not a model for any future legislation. The chief medical officer of health can move into any health unit in the province and, as I understand it, put it in trusteeship, take it over and run it. I may be wrong, I may be misinterpreting the intent, but those are the powers that the language of the statute confer. We look forward to looking at this in clause by clause to see if this is the intention, and if so why.

On the issue of funding, the act is silent on the question of the provincial share. I assume it is going to remain at 75 per cent, but it does not say so in the statute.

**Hon. Mr. Grossman:** Yes, it is.

**Mr. McClellan:** But it does not say so, does it?

Second, there is complete ambiguity with respect to the funding of the core program. I understand that some of the core program will be funded at the level of 100 per cent in order to encourage boards of health to move into the mandatory aspects of the program. Again, we have absolutely no indication what the relation-

ship is between 75 per cent funding and 100 per cent funding. The ministry has not spelled that out anywhere in the statute, and has left many public health officials in a state of considerable confusion as to how this act will be implemented financially. I do not intend to support a pig in a poke; we have enough experience with this government sticking it to municipal level governments.

I mean no particular aspersions on the incumbent, but our experience with this government over the course of the last eight years has been uniformly bad. We are not prepared to support legislation that imposes this level of obligation on a municipal level of government without spelling out the financial relationships in any detail whatsoever, except to say *sotte voce* that the 75 per cent relationship will continue and there are indications of some additional support moneys for implementation on a transitional basis.

That concludes the list of our concerns. We look forward to having hearings on this bill in committee. We hope we can persuade the minister to broaden the core programs. Our concern, simply put again, is this: the core programs represent the lowest common denominator of public health programs in this province, they do not represent the standard of excellence we have a right to expect. They do not represent the leading edge of public health reform we have seen operating in some boards across this province. They acknowledge a dismal state of the art in Ontario in public health in 1982 and try to drag the public health movement up to a minimal standard.

I suggest that standard is too low. We can set our sights higher. We have an obligation to confront the real causes of disease and not just to maintain the status quo with respect to 19th century traditions of preventive medicine. We need to engage ourselves in a serious way with occupational and environmental disease. It is the role of the public health unit to lead the way in that fight.

**Mr. Van Horne:** Mr. Speaker, like my colleague I will attempt to be brief. I submit that every member of this chamber should have the same concern as was shown by the member for Bellwoods (Mr. McClellan), particularly as it relates to concern for citizens of this great province of ours in their work places and in their living places.

I want to direct the attention of the minister and members of the Legislature to one of two specifics reflected in comments to me by nurses

in this province. As late as four o'clock this afternoon, I had one member of my riding submit to me that she was on the horns of a dilemma because she and her colleagues did not want to bug the minister too much about their lot in this legislation; on the other hand, they did not want it to pass without some comment.

They asked me to draw to the minister's attention—and I am sure he will make right any error of omission; I am sure it could not be an error of commission—that references have been omitted regarding public health nurses. It was pointed out to me that in section 1, the interpretation section, there is no definition of public health nurse. It is their feeling there should be.

In part II, health programs and services, section 5, they again indicate there is no mention of the specific role of the public health nurse in the various other areas mentioned. They feel strongly about that. I do not think there is a reason in the world for not identifying public health nurses in this legislation a little more specifically than has been done, and I am sure all kinds of representations will be made to the minister in this regard. I think enough has been said on that. The cut and thrust of debate in committee will see these areas clarified.

8:50 p.m.

I want to make reference to one other section which has not been spoken of yet in this brief debate. That is section 48 of part VI of the bill, dealing with agreements with councils of bands. A lot of concern has been expressed to me by some of the Indian people I have spoken to. They will want some kind of clarification. I cannot be more specific. They simply wanted it mentioned. When I get the further information I requested I will pass it on and share the concern these people have. I wanted that section pointed out as one where there may be additional comment, which the minister may wish to get ready for before the September meetings.

Having said those few words, I think I have added at least a little bit to the intent of what we are doing here in second reading, and I thank you for the opportunity, Mr. Speaker.

**Mr. Renwick:** Mr. Speaker, I want to speak briefly and with a considerable degree of humility about this particular bill before the assembly.

I suppose when one takes the trouble to read through a bill such as this even once, one realizes there is an immense amount of work by a large number of very highly qualified people that has gone before the introduction of the bill into the assembly. The process by which the bill

finally comes before us is not something to be lightly considered or lightly criticized. I would not for one moment offer any comments tonight in the sense of overt or hostile criticism of the bill. I do not pretend to have any knowledge of the public health area other than as an uninstructed lay person in that field.

The humility I feel is something which must be shared by every member of the assembly, because once this bill is passed it will become part of the framework of the laws governing this province and will not be looked at again by this assembly for many years to come. I therefore think the assembly has a special and particular obligation to understand what the minister is saying to us. The minister is asking this assembly to grant to him and to the government of the province a total authority over the public health services of the province, with no response back to this assembly on any occasion.

I do not know what the modus is by which the response should be made and the accountability established in this kind of a bill to this assembly, but I think it is inadequate in this day and age not to have a specific provision in the bill providing for some kind of reassessment, an accountability to this assembly other than simply the attention it may attract when the estimates of the Ministry of Health are before the assembly in the routine way in which the estimates of this ministry and other ministries are considered.

We have not developed any really acceptable methods of accountability to the assembly for the immense grants of authority we give to the minister and to the establishment of the Ministry of Health when we pass such a bill. This applies to other areas of government as well as this particular area. We are very, shall I say, elementary in our views about accountability. We talk about perhaps an annual report. It would be at least worth considering in this bill whether there should not be provision for an annual report to this assembly about the bill.

It may not be possible to do this on an annual basis with a bill of this dimension which deals with province-wide concerns. It may well be that there should be an obligation on the Minister of Health once in the second session of each parliament to lay before the assembly a full report with respect to the operations of the public health act of the province or, as this one is designated, An Act respecting the Protection of the Health of the Public.

We do not have any method in this assembly of dealing with accountability other than through



the traditional methods of the assembly. I emphasize that my remark is not made in any sense as a form of destructive criticism, but I do believe there has to be an accountability to this assembly for the immense authority we are being asked to grant to the minister.

I do not know what the modus is. I do not suggest for a moment that what I have just said is the way in which it should be done. I think there has to be established in this bill some method of periodic consideration by the appropriate committee of this assembly of the operation of the health protection system.

I say that because it is a grant of immense authority, and I need not refer in great detail to the provisions of the bill because it will be subjected, I hope, to intensive scrutiny in a committee of the assembly sitting when the House is not in session, and will have the benefit of a degree of input which I believe will be quite extensive because of the already evident concerns that a bill of this magnitude brings to many of the people of Ontario.

When we consider the kind of framework, and it is only a framework which the design of the bill puts before us, we realize what the minister is saying to us. He is saying that every board of health "shall provide or ensure provision of the health programs and services required by this act and the regulations to the persons who reside in the health unit served by the board."

That sounds fine, it sounds very good. It then goes on to say, "Every board of health shall provide or ensure the provision of health programs and services in the following areas," and it refers to the seven specific areas to which the minister referred in his very cursory opening remarks on second reading of the bill; all-embracing and very clear statements of the extent of the areas to be covered by the health protection.

But then we come to the crucial devolution of authority to the minister and to the government of the province, "A board of health is not required by this part to provide or ensure the provision of a mandatory health program or service referred to in this part except to the extent and under the conditions prescribed by the regulations and the guidelines."

I may say, by way of a minor aside, that we have not only provisions here for regulations, we have provisions for that modern extrapolation of a regulation in a form which is not nearly as clear or as enforceable as a regulation, namely the guidelines, which of course are

equally mandatory and are not nearly as readily available to the public.

It is true it is possible for a board of health, with the co-operation of the council of the municipality, to have in place other health programs, but the basic health programs are under the control of the ministry, because when one turns away from the purpose of the act in that generalized statement to the provision of part VIII under the heading of "Regulations," then one realizes the extent of the devolution of authority which we are asked to give to the minister and to the government.

#### 9 p.m.

In addition to the standard provisions with respect to the regulations, we find that the Lieutenant Governor in Council may make regulations relating to part II; that is, establishing the programs and services that are to be available to the public. Then we go on. The Lieutenant Governor in Council may make regulations relating to part III. Part III is the area relating to the community health protection. Then we find an extensive statement that the Lieutenant Governor in Council may make regulations relating to part IV, which is the communicable diseases area. We find further that the Lieutenant Governor in Council may make regulations relating to part VI, which from the index in the bill is the health units and the boards of health.

We find that for practical purposes everything we are being asked in this assembly is to be done by way of regulation. If it is not done by way of regulation there are no public health programs or services available in the province. That is the extent and the measure of my immediate concern about the bill.

There are a number of other provisions that have to be looked at. If we look at the structure of the bill and the immense powers the minister is asking that we give to him specifically in his capacity as minister, my concern about accountability and about a reference back at some point to this assembly for review and consideration is all the more dramatically brought home.

There is no need to go on at any length about the bill other than to say that in the committee which will deal with the bill I hope the minister will bring a reasonable degree of flexibility to the questions that have been raised by the member for Hamilton Centre (Ms. Copps) and my colleague the member for Bellwoods, and that other members will want to raise about the inflexibility inherent in this bill.

There appears to be a structure which is so set

that there will be very little room for the government to be responsive to either innovative or imaginative suggestions about the whole area of public health, particularly when we juxtapose against the delivery of something called public health the whole question of community health services of one kind or another and the whole question of the private delivery of health care in the province.

Those remarks express as best I can the immense concerns I have about the devolution of authority. It is immense. This is not an exaggeration, but it is likely that there will be few, if any, members of this assembly sitting here when the next revision of this act comes before the assembly. It probably will be into the turn of the next century, and only myself and one or two others who are present tonight will be still here to recall this debate.

The concern I express is a valid one. I hope the minister is listening, because we are voting against the bill simply because it requires very extensive and intensive examination. It requires a very detached and opposed view to the bill in order that ultimately a reasonably good bill will emerge from the committee by way of report back to the assembly.

I ask the minister, when the occasion permits, if he will address specifically and directly the question of the way in which accountability will be established to this assembly.

**Mr. Nixon:** Mr. Speaker, I was interested to hear the explanation of the member for Renwick—we might as well redesignate his riding since he expects to be here well after the turn of the century—as to why he and his colleagues are opposing the bill. He has a philosophical approach to committee work, indicating that it only works if one is opposing the bill. It is sort of an interesting new concept. Actually, I like it better than the reason given by the New Democratic Party's Health critic for opposing it, which was even more obscure.

It seems to me when there is an effort like this, unless there is some opposition in principle to the state intruding into the assistance of the protection of public health, it does not make much sense to oppose it when it really is sort of a reworking of what has worked very well in the community over a number of years.

As a matter of fact, from my usual rather conservative approach to these things, I am darned if I can even see why we have the bill. I come from an area that has been extremely well served by boards of health and medical officers of health, certainly since I can remember and

from reports well before. The system is working very well indeed.

There has been some substantial criticism that the government has not been fair in the distribution of its grants since Brant was a bit reluctant to enter into a regional system. There was a time when the grants to boards of health were based on their co-operation in the old McKeough processes of regional government. I believe those benighted approaches have now somewhat faded.

I also want to give the minister credit for bringing this forward. I suppose it has been in the works for some time and probably should be considered the Dennis Timbrell bill; or maybe even the Frank Miller bill or even the Matthew Dymond bill. Who knows? I am glad to see a few familiar faces under the gallery who have been around even longer than the minister. I am quite prepared to call it the Wysocki bill.

Knowing that some of the minister's, shall I say experienced advisers have been working on this, I have a little more confidence in saying I am very glad my colleague the member for Hamilton Centre, the chairman of the Liberal task force on health, has already announced that we intend to support the bill.

I wish the minister had taken a little more time with it, to apply his well-known initiative and his well-known concepts of putting his own stamp on things rather than just taking them in, saying, "That looks okay to me and I might as well ride this for all it's worth," and plunking it into the mill.

Once he checked to see whether or not Doctors Hospital was affected, I doubt if he even read it all the way through. That is probably a bit unfair.

I want to say again, the experience in our own area—perhaps the member for Brantford (Mr. Gillies) would support me on this—has been excellent. Dr. W. E. Page, who is well known to us all, has shown tremendously strong and independent initiative in our area, sometimes stepping on some sensitive toes but always leading the way in the protection of the health of the citizens.

The tremendous range of responsibilities he administers never ceases to amaze me. God help us if we should put an extra length of weeping tile in our rural facilities without his coming out, either personally or with one of his minions, to poke away at it with a stick and call for several more loads of gravel and what have you to make the thing work in our nonpercolating substratum.



They are responsible for the inspection of meat. Without raking over a lot of old straw, there was a time when there was some concern about this. I think we are very proud of what has been accomplished in this connection, in parallel with the government of Canada which, of course, has taken the lead in this matter over many years.

**Mr. Havrot:** Has it?

**Mr. Nixon:** The member has not had ptomaine poisoning lately.

**Hon. Mr. Grossman:** Have you been downstairs?

**Mr. Nixon:** Be careful. There are sensitive ears around here when it comes to what the minister calls "downstairs."

Interjection.

**Mr. Nixon:** All right. Quite seriously, I do feel that if the minister had put his own attention to the thing—with the greatest respect for those people who have worked diligently and carefully, amending on the basis of their experience of what has gone before—we might have had an approach a little more consonant with meeting the needs of the community for the next few years as referred to by the member for Riverdale (Mr. Renwick).

9:10 p.m.

For example, the minister's predecessor has imposed on most of us, and intends to impose on the rest of us, his famous health councils. They are sort of an arm of the community operated by the minister to shield him from the problems of imposing ministerial policy on local medical services. He and his predecessors have been very successful in co-opting many extremely capable citizens into what I have always suspected was a program to do what I have already said, shield the minister from the problems that accrue politically when we are on the downside of providing public medical services.

In the days when the government was granting money for expansions and new hospitals, we did not need a health council, because the minister's predecessors were always there with the sharp shears cutting the ribbon and smiling for the local press. Lately, when there has been a cutback in these services, it is normally said by the minister to be at the behest of the health council. Usually, the health council is simply told what it must do. It is given its piece of cloth and then instructed to cut it to the benefit of the local community.

I thank our lucky stars that, at least under the

former Minister of Health, the draconian approach to the provision of hospital services in Brant county was at least amended to some extent. It may well have been the hardball politics this minister played with the former policy of reducing hospital services that meant Brant county and Brantford were not subject to the harsh directives that were attempted to be applied through the health council over the past few years.

My feeling is that there might have been a more imaginative approach to this. We could have established a procedure whereby we would replace the local boards of health, the local health councils, the various supervisory boards for senior citizens' facilities and various welfare or community and social programs with a more democratically established local board at the county level or whatever unit might be appropriate. It could be elected like a school board or perhaps, even better, directly responsible to the elected council, which would have an overall responsibility for the administration of health and social measures.

In this way, the minister and his various colleagues in other ministries would be relieved of the day-to-day responsibility for the supervision of these facilities as they are applied at the community level. They would have had the advantage of being able to preach local autonomy. At the same time, they would have been able to give the overall direction that is possible in other areas of public endeavour such as education.

There is a good deal of confidence in boards of health and various other administrative boards, but the minister might have moved into a new era of democratic control of the administration of these various services at the local level. That might have been interesting and productive. There are what politicians now call downsides to that proposal, but it is the sort of thing I regret has not been a part of the review of the bill or of the previous legislation.

From my observation, and as the representative of the county of Brant for 20 years, there has been uniform acceptance and approval of the work of the board of health, the medical officer of health and his staff. Thank goodness they have felt themselves independent enough not to worry about what the people here in Toronto, or even the minister, think about what they do. With the sort of independence I welcome and approve of, we in our area feel we have been well served indeed. I am not at all sure what this legislation will do to change or improve that.



I was interested to hear the Health critic for the New Democratic Party question whether the chief administrative officer has to be a medical practitioner. It seems to me that in a large jurisdiction that would not be necessary. In a smaller one, perhaps like Brant county and Brantford, one gains some additional service by having the person designated as the chief medical officer of health being a medical practitioner, but in a larger jurisdiction I am not at all sure that is really required.

Members will notice that we do not have a doctor as Minister of Health, for which I am very grateful. I do not even think a teacher should be Minister of Education. I can say that in the absence of some of my colleagues.

**Mr. Van Horne:** You be careful.

**Mr. Nixon:** Or a general as minister of defence.

I think the role played by an individual as a civilian, if that is the proper term, is extremely valuable. Sometimes one cannot distribute the previous experience of various politicians to the optimum benefit of the community. Much as I would like to see the Minister of Education (Miss Stephenson), as she goes up the ladder of responsibility, emerge finally as Minister of Health, it would be interesting but a little bit tough for the people who would have to be under her supervision and, in her instance, control.

I simply say to the minister that I welcome the bill and will support it. Frankly, I do not see that it has any great breakthroughs, except for the removal of the Venereal Diseases Prevention Act, which may be a mistake. I do not know why the member for Brantford is applauding.

I can report to the House, on behalf of my constituents, that we have been very well satisfied with the services provided under the statute as it now is. I want to take this occasion to congratulate those on the local scene who have been responsible for this now for many years.

**Mr. Swart:** Mr. Speaker, the member for Bellwoods dealt with this bill for this party in a fairly comprehensive manner and pointed out the shortcomings. I do not intend to cover many items in this bill. There are three things, though, that I want to mention.

First, I want to emphasize what the member for Bellwoods said about the low priority given to public health nurses, in that they are barely mentioned in this act and as demonstrated by this government. Whether we talk about the public health nurses who are now on strike in

Niagara or whether we look back to the year 1976 when the public health nurses were on strike, the indifference of the government to the withdrawal of those services was demonstrated, and certainly so if compared with what it did for the doctors in their recent threatened strike when they actually went out for one or two days.

The minister knows very well that for the sum of \$2,000 or \$3,000, or \$4,000 at the most, he could bring the public health nurses up to the average for Ontario and have the strike settled in Niagara. Instead of that, he takes a hands-off position, even though the government has the primary responsibility for the protection of health for the people of Niagara. His indifference is clearly demonstrated by what is taking place. He gives a very low priority to the services provided by the public health nurses.

I know he will say to us here in this House, "The health unit is autonomous and we are not going to intervene." But it was rather interesting when the public health nurses met with members of the Legislature—I think the member for Erie (Mr. Haggerty) was there at the time—including the minister's parliamentary assistant and the member for Sarnia (Mr. Brandt). They were asked what responsibility or direction was given by the ministry to the members there. There was some difference of opinion among the members of the health unit appointed by the government. It is not known whether there was some real difference of opinion, whether they were really independent or whether they were acting, at least to some degree, as agents of the ministry. Whether they were or not the minister knows, and everybody else in this Legislature knows, he can influence the health unit in Niagara. He can provide the additional funds to get those nurses back to work if he wants to do it and if he really considers it important to have that service provided to the people of that area.

**9:20 p.m.**

Another point I want to make, and the minister may in his reply be able to point to sections of the new act that appear to be as strong as sections of the old act, is that from my reading of it there has been a substantial downgrading of the responsibility of the ministry and the responsibility of the health units for the condition of premises. Under the old act it was very clear. The minister will be aware that section 4 of the old Public Health Act states that it is the duty of the ministry and it has power—a pretty strong statement—among a great many other things, "to determine whether the existing condition of any premises . . . is a nuisance or



injurious to health." Another subsection of that same section says there is the power, "to enter into and go upon any premises in the exercise of any power," to correct the health condition.

Looking over the present act, except for vague terms and except for premises which are boarding houses or something of that nature, there is no similar power—the minister can correct me if I am wrong when he gets up—or not the same degree of power. I know section 2 makes some general reference to the responsibilities of the minister. It says, "The purpose of this act is to provide for the organization and delivery of public health programs and services, the prevention of the spread of disease and the protection of the health of the people of Ontario."

That is not nearly as strong as the clause in the original act. We could go on and look at subsection 10(1) of the act, which states, "Every medical officer of health shall inspect or cause the inspection of the health unit served by him for the purpose of preventing, eliminating and decreasing the effects of health hazards in the health unit." I presume that means in the health unit area. I think the wording there leaves a little to be desired.

Section 81 of the act states, "Where the minister is of the opinion that a situation exists anywhere in Ontario that constitutes or may constitute a risk to the health of persons, the minister may direct the chief medical officer of health to investigate the situation and to take such action as the chief medical officer of health considers appropriate to prevent, eliminate and decrease the risk to health caused by the situation."

Apart from those and the other clauses I mentioned applying to boarding houses and certain situations, it does not seem to me there is anything in this act which gives direct instructions and direct responsibility on the part of the minister and the health unit to deal with unhealthy premises. This, to me, has a very real application to the whole question of urea formaldehyde foam insulation. I have never figured out how the minister, under the existing Public Health Act, could refrain from intervening in this matter.

It must have been for one of two reasons. Either there was no health problem or hazard, and there is all kinds of evidence to contradict that, or else he somehow or other thought he did not have the duty and the power that the act states he has. The real situation was that he did not want to touch it with a 10-foot pole because

of the costs he thought it might involve his ministry in, that is the real reason he did not touch it; but he had the obligation.

At this time we have another act before us which apparently weakens that obligation, that duty which the minister has and which the health unit has. God pity the people who have unhealthy premises, whether it happens to be urea formaldehyde foam insulation or some other chemical problem or whether it is just straight unsanitary conditions.

For these reasons, even if I were not in this group on this side of the House, I would have very real difficulty in supporting this bill. I suggest that when it does go out for hearings there will be people, very likely the Home Owners with Urea Formaldehyde Foam Insulation group, who will be coming before the minister asking him to accept the responsibility he has under this act, but, more, to assure that the new health act that is going to be enacted provides for the relief of those hazardous health conditions that exist for them and can exist for many other people in this very highly chemicalized society.

**Mr. Haggerty:** Mr. Speaker, I want to address myself to Bill 138, An Act respecting the Protection of the Health of the Public, and perhaps add a few comments similar to those that other members have already made.

I was looking through the explanatory notes of the bill itself, and I was questioning the part that says, "Medical officers of health are authorized to provide medical and public health nursing attendance and necessities to persons in need of assistance who appear not competent to care for themselves."

I think of the present strike by health nurses in the Niagara district. I notice there is no definition of "health attendance" here, whether we are talking about nurses or whatever it may be that the minister through the act is going to supply or provide to the community.

I had some reservations a few years ago with my experience on council where a former medical officer of health for the county of Welland succeeded in implementing county health units. That was the late Dr. Sturgeon, who I remember visited council on a number of occasions trying to convince council members that we should dissolve or disband our local health unit at that time. We had, I think, two health nurses and a medical officer of health, a local doctor who worked part-time and did an excellent job in that community.

We always had excellent reports before coun-

cil of any serious matter concerning sanitary facilities and food inspection in the urban areas. We had a detailed report coming to council every month, so we had an idea what was going on. But under the new regional health council and the health unit that is set up now, I know that local councils are not even represented by a member on the health council or health unit.

I notice that the bill says there should be 13 members. I think there are about 11 or 12 different municipalities in the Niagara region, and I find that two or three municipalities there today do not have representation. One is the town of Fort Erie, and another is the city of Port Colborne.

I suggest to the minister that when this new bill is introduced every municipality should have a representative on the health unit so that every area is represented and knows what is going on and so that full reports can come back to the local council, at least to let them know what is taking place.

I am concerned about the present health strike in the Niagara Peninsula, because I feel that is an area that is being neglected at present by the strike. There are a number of elderly citizens in the Crystal Beach, Fort Erie and Ridgeway areas who are not receiving the health care they should be receiving. The strike is now in about its sixth week, and there is no indication of when it is going to be settled.

I suggested on the front steps of the Legislative Building one way to settle it; now that there is an impasse between the health unit, the board of directors and the health nurses, a final-offer solution may be the answer.

**9:30 p.m.**

It is to be hoped the minister will step into it and give some assistance to get this strike settled. I think it is the second time within the last couple of years that the nurses have had to go on strike to indicate to the ministry and to the health unit their concern about their wellbeing as well as for society as a whole. I believe this is an area where they are seeking wage parity with other health units in Ontario.

In part III, the minister has indicated that community health protection requires medical officers of health and public health inspectors to provide for inspections in health units. I do not know if that would include a health nurse or not. I hope it would. Inspectors should be defined as to what category of personnel we are talking about.

They are authorized to make orders to decrease the effects of, or to eliminate, health hazards, as

the term is defined in the bill. I notice it relates to environment areas of problems related to gases and other matters that may cause some health problems within a community. I would like to see that tied in with the Ministry of Environment and the Ministry of Labour so that we would have close co-operation between the three ministries. We would then at least know in what direction we are heading, instead of having ministries or agencies heading in different directions.

I am concerned about the Niagara Peninsula. I am sure the minister is well aware of the Niagara District Health Council's report. I understand a further study is being done in this area relating to the high mortality rate in the Niagara region. I think some answers are long overdue as to the causes of the high mortality rate in relation to cancer and respiratory diseases, and on the infant deaths and communicable diseases. There is a whole list of them. The Niagara region has the highest mortality rate in Ontario and across Canada, which should raise some serious concerns at the Ministry of Health about the causes.

Perhaps, if we had proper cataloguing of all deaths and the reasons for them, we would have an understanding of the cause. I do not have to tell the minister of the number of cases before the Workmen's Compensation Board relating to occupational health, particularly cancer of the respiratory system. The problem has existed for years in the Niagara region. The public has not had the answers. It is entitled to know what is causing these problems, whether it be environmental air contamination, water contamination, etc. Who knows what it is in that area? It is a high-risk area.

It does not help the area to have the health nurses on strike, because there is no follow-up on any communicable diseases. There is no follow-up on cancer patients or mental health problems in the region. There is a serious problem in the Niagara region as more persons are being removed from the institutions and the mental hospitals and put back into the community. There is no place for them. Or if there is, there is not sufficient quality of care in that region. That is an area the health nurses should be following up on. One field worker or social worker from the Hamilton Psychiatric Hospital is not sufficient to look after the regions of the Niagara Peninsula. That is causing some concern to a number of organizations and families in the community.

I am concerned also about the health care of



elderly citizens in the Ridgeway-Crystal Beach area. I have written a letter to the minister concerning the phasing out of the Maple Brae Lodge Nursing Home in Ridgeway, which has 20 beds now. There is no indication where these 20 patients are going to be accommodated.

They will not find accommodation in the homes for the aged in the region because there is a considerable backlog of persons waiting to be admitted. They will not be admitted to Crescent Park Lodge Nursing Home in Fort Erie, the nursing home in Chippewa or anyplace in the region, because there are no facilities for them. There is a backlog of residents waiting to be admitted into nursing homes and there are no facilities available.

What disturbs me most about the phasing-out of the nursing home in the Ridgeway area, though I agree with the—

Interjection.

**Mr. Haggerty:** It is on health care.

**The Deputy Speaker:** I know, but come on.

**Hon. Mr. Grossman:** No.

**Mr. Haggerty:** Pardon? It is not public health? What is it if it isn't public health?

**Hon. Mr. Grossman:** It comes under the Nursing Homes Act.

**Mr. Haggerty:** I thought that was covered in the bill. Let us go back to that page. It says: "Charitable Institutions Act, Child Welfare Act, Children's Institutions Act, Children's Mental Health Services Act, Children's Residential Services Act, Day Nurseries Act, Developmental Services Act, Homes for Retarded Persons Act, Homes for Special Care Act"—I do not know what that would cover—"Homes for the Aged and Rest Homes Act."

**The Deputy Speaker:** What are you reading from?

**Mr. Haggerty:** From the act.

**The Deputy Speaker:** I know, but where?

**Mr. Ruston:** You have the wrong bill, Mr. Speaker.

**Mr. Haggerty:** It starts on page 13 and covers several different acts including, besides those already mentioned, the Private Hospitals Act and the Nursing Homes Act. So certainly the bill includes those other acts.

All I am trying to convey is that there is a problem in that area. My colleague the member for Welland-Thorold (Mr. Swart) mentioned the problem of the follow-up on urea formaldehyde. I do not know what is being done in that area.

I have a letter from a doctor that I should read into the record. It tells of the problems four children have encountered in which there was no follow-up whatsoever from the public health nurses. It is not their fault; I think it is the director in the area who is not following up. But it is a serious problem, and only one of those that I have.

I support the bill in principle but I think we should define just what the public health nurse in the area is to do. At the meeting we had this past week with the Conservative and New Democratic members, I am sure we all felt that public health nurses should be considered an essential service. I suggest to the minister that should be put in the bill because they provide an essential service. I hope we shall see some amendments brought forward by my colleague the member for Hamilton Centre (Ms. Copps) in this regard.

The minister talks about the new bill, but one of the members said earlier that it was just a recycling of an old bill.

I have copy of a letter I referred to from the health services in the Niagara region and addressed to the Health minister. It reads as follows:

"About \$140 million was spent on total health care in 1979 compared to about \$3 million spent on prevention." You will have to convince me that you are going to do good health care prevention in the Niagara region when you are only spending about \$3 million. "This is a great discrepancy in funding when only two per cent is being spent on preventive health care." And that is all it is; just about two per cent of the total budget to be spent on health care.

If this was tied in with all the other health units throughout the regions and counties and municipalities, probably the same amount of money is being spent, mostly on administration costs. I suggest that if the minister is going to put through a bill of this nature, he had better come forward with sufficient funding to carry out the preventive health care that is required in communities in Ontario.

9:40 p.m.

**Hon. Mr. Grossman:** Mr. Speaker, I have listened carefully to most of the remarks made by the opposition members. They raise some very valid concerns, most of which were covered in one way or another by the literally thousands of briefs that have come to the ministry over the past many years. Quite frankly, as my predecessors, whom the member for Brant-Oxford-Norfolk (Mr. Nixon) referred to earlier, and I and my staff reviewed these things

and in some cases, the decisions were very difficult to make. In some instances it was not terribly clear in which direction to go, but ultimately we had to make some decisions, some choices, as we all must from time to time. Certain choices were made and this bill was brought forward.

It is because of some of the excellent points raised this evening and because of the points raised in many of the briefs that have come over an extensive period of years that we do intend to have a serious hearing at the committee stage. We will be listening intently to the briefs that are submitted and we will make any material we have on hand that has been submitted by the public available to the members of the committee. We will be listening with a view to seeing what alterations, if any, might be appropriate to the legislation to deal with some of the concerns that have been raised.

I shall not take the time of the House to go through many of the issues raised tonight, because so many of them did deal with what will be dealt with at the clause by clause stage. But in terms of the principle of the bill, I think, as the member for Hamilton Centre (Ms. Copps) pointed out in her remarks, this is an important updating of the legislation. It is a move in the right direction, as the member for Bellwoods (Mr. McClellan) pointed out too. It is just an early and small step towards full preventive medicine and we are serious about that area. I do think that while this goes only part of the way there, it is an important part of the way there.

I would acknowledge too, the contributions made by the Toronto board of health, among others, and the areas the member for Bellwoods referred to in regard to mental health and environmental health. However, I must say that from the standpoint of having clear lines of responsibility in the provincial government, in terms of the acts that give direct responsibility for occupational health, in the one case, and for environmental protection, in the other case, to sister ministries of ours, with the right and the freedom of the local health unit to play a role in emphasizing some problems in some areas and bringing them to the attention of the respective authorities, I think the current breakout of authority and separation of authority is appropriate. Any introduction of those responsibilities into this legislation would lead to duplication and the fogging of authority, which would not be productive to solving the concerns he raises.

Practically all the members who have spoken

have raised the question of the role of the public health nurses. I think this ought to be addressed at the committee stage because they certainly have expressed their concern to me quite clearly. I believe they have heard some fairly reasonable responses and explanations from my predecessor and myself, as well as our staff. Still, there is no question that while they are, I believe, somewhat more reassured at this stage, there still is some concern in their minds.

May I say I understand, and I do appreciate the fact as I think the member for Hamilton Centre mentioned, that they have decided they should allow this bill to proceed at this stage, and make some substantial input at the committee level. But I hope they do not feel they were ignored at all in the process. A great deal of time was spent on trying to clarify their role and to make sure they were included in the legislation. I do appreciate the fact that they want this bill to proceed and are anxious to have the bill pass in whatever shape and with whatever sections in it, given their opportunity for input to a committee, which I know will be very sensitive to the concerns they raise.

Given the fact that this is approval in principle, I want to deal for a moment with the remarks of the member for Riverdale (Mr. Renwick) who touched on what I consider to be some important matters. In looking at the generally high standard of delivery of public health through the local health units throughout the province, acknowledged in Brant and other areas by some of the speakers this evening, the fact is that whether we are talking about salmonella in Peterborough or whatever, ultimately, by virtue of the Ministry of Health Act, the Minister of Health is responsible for all of these matters in one way or another.

Whether that responsibility is direct or indirect and whether the main responsibility lies elsewhere, ultimately, in a liberal reading of the Ministry of Health Act, the members of this assembly, as one looks through the history of question period, ask those questions of the Minister of Health.

It is the object of this legislation to increase the powers of the local health units, to equip them better to do their jobs, to give them clear responsibilities and clear lines of authority, and at the same time, to have a connection in there which allows the Ministry of Health to play a role where there are very severe problems with local health units. There have been a couple of occasions when the Ministry of Health has found itself strangled by its inability to deal with



some very real problems with local health units which it did not have direct authority to deal with.

This is an attempt on the one side to increase the role, responsibility, authority, and independence of the local health units, while on the other side acknowledging the ultimate responsibility which lies back here in an emergency and overseeing sense.

I have thought about the question raised by the member for Riverdale regarding accountability and it goes back to the whole estimates process. I have often reflected upon the difficulties in the estimates process, and many of the issues he raises should be dealt with by others in this assembly under the general auspices of responsibility to the assembly. How can we get an effective form of review of ministerial responsibilities and grant of power and do it more effectively than the current estimates process?

As a minister who has taken five or six sets of estimates through the House or committee, I feel the current structure is one which, in my own view as one member of the assembly and one minister, neither allows real issues to be tackled with full and complete knowledge on behalf of the opposition parties, and enough honing down on the two or three issues that might most properly be addressed, nor is it one which uses the hours effectively enough.

I say that as a minister who has learned a bit from estimates and has listened to what the opposition said, and on occasion has changed some ministry policies on the basis of what has occurred in estimates. On the other hand, in this minister's view, the current length of estimates is rather extraordinary in some cases. Given the fact that we tend to wander around the map and touch a variety of constituency and local and smaller concerns, rather than hone down on policy matters which are fundamental to legislation such as this, I for one would be very supportive of a reworking of the entire mechanism to address that problem.

I share the concern of the member for Riverdale with regard to this kind of legislation and, in this regard, I would like to refer to the remarks of the member for Brant-Oxford-Norfolk when he talked about the fact that this is a piece of legislation that has been many years in the making. It is very much the Wysocki bill, and the Timbrell bill. My predecessor seconded this piece of legislation because of the hours he committed to this.

As a new minister, I had a decision to make with regard to whether I would put this over to

the fall and spend extensive hours working through this bill, section by section. Let me say quite honestly, had I done that, I would have ended up with something a little different in a couple of sections. I do not know which sections.

We have been through the bill rather thoroughly. It is one of the things I did in my early days in the ministry. Ultimately, I made the decision, after having made a half dozen changes. There may have been more had I decided to defer this to the fall and to have the committee sit over the winter. Had the bill not then been passed until a year from today, it may have come in a different form. I like to believe though, having sincerely committed myself to open committee hearings and being determined to listen to the concerns that are raised that the public is better served by getting this bill in now; getting it to committee this September; giving me and my parliamentary assistant an opportunity to again review these things, and giving the public a chance to read copies of the bill as we think it should be passed at the present time. That is the best route to follow in getting this legislation into place as quickly as possible, yet having as full a public scrutiny as possible.

**9:50 p.m.**

We will be listening, partly because I have made a conscious decision not to do the kinds of things the member for Brant-Oxford-Norfolk said I might have done, that is, put my own stamp on it, as he put it. I have no pride of authorship on this. I just want the best piece of legislation possible. I believe the piece handed to me by my predecessor is a fine piece of legislation. We did make some changes to it, but ultimately I think the final bill should be the result of my review as a result of what we hear in the committee stage.

There are things I could add, but I think most of them properly belong in the clause by clause study. As I say, we want to reaffirm our commitment to having that done most carefully and sincerely by our ministry and to having these matters reviewed once again at that time.

**The Deputy Speaker:** Mr. Grossman has moved second reading of Bill 138, An Act respecting the Protection of the Health of the Public. Is it the pleasure of the House that the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Vote stacked.

## IMMUNIZATION OF SCHOOL PUPILS ACT

Hon. Mr. Grossman moved second reading of Bill 142, An Act to protect the Health of Pupils in Schools.

**Hon. Mr. Grossman:** Mr. Speaker, as I indicated when I introduced this bill for first reading some weeks ago, it is our belief this legislation will virtually eliminate in our province, measles, rubella or german measles, diphtheria, tetanus, polio and mumps. To accomplish this, we will require that all people show proof of their immunization against these diseases or that they obtain the necessary immunization without delay. Naturally, exemption to the provision will be allowed for medical and/or religious reasons.

It is our hope, and it is the reason we wanted passage for this session, that the legislation can come into effect in September of this year. While we cannot realistically expect there will be total immunization by that time, we can expect within the first few months the program will be well under way.

We intend to proceed as follows. In the first few months our immunization priority will be the youngest and most vulnerable students, that is, those entering the school system for the first time. Afterwards, immunization will be directed towards the remaining students. We are asking the medical officers of health to make sure all students in the system be immunized as soon as possible since they are the ones who are in the best position to judge the circumstances within their own communities. They will also exercise the necessary discretion in any enforcement question.

The legislation also authorizes the medical officer of health to order the suspension from school of any pupil who is not in the process of being immunized and who is not exempt. In addition, during an outbreak or a threatened outbreak of any of the designated diseases, the medical officer of health may order the exclusion of any pupil who has not been completely immunized and who is not exempt because of natural immunity.

There is clear evidence that we are not able to control outbreaks through voluntary measures alone, even though we have now achieved 80 per cent coverage of our population. We think it is time now for more direct and comprehensive action. As has been indicated with the previous legislation, it is a priority of our ministry to put a renewed emphasis on public health and preventive medicine in Ontario. This also means we must establish maximum rates of immunization

across the province or we will always face the danger of further outbreaks of contagious diseases.

In planning this legislation, we have had the full co-operation, working speedily, of officials in the Ministry of Education. We have their assurance of continued co-operation as the program is implemented as quickly as possible. The new legislation is a step which I believe will be greeted with enthusiasm by every person in this province, but especially by the parents of young children. Once enacted, this province will have the finest immunization program and procedure of any jurisdiction in Canada.

**Mr. Van Horne:** Mr. Speaker, I am delighted to be able to say a few words on this piece of legislation and to note at the outset that the words just uttered by the minister were very different from those uttered by his predecessor approximately a year ago.

I do not want to quarrel with this bill, because I feel very strongly about mandatory immunization. I would remind the minister and members opposite that back in the fall of 1981 the question of mandatory immunization was raised in this chamber and was responded to not in a cavalier or offhand way but in a way that reflected something less than total concern with the problem.

That question was raised on October 15, 1981. Further to that, a point was raised in the estimates in November 1981, and I am going to take this opportunity to reflect for a moment on the minister's response. I am not going to bore members by reading reams of Hansard from those dates, but at that time the then minister, now the Minister of Agriculture and Food (Mr. Timbrell), indicated that we really could not overlook this business of personal choice. I submitted to him that the evidence of not only our province and our country but of the United States, where there was mandatory immunization, was such that the issue could not be ignored.

In my view the government has reacted, but it has reacted rather slowly. Although I am happy to see the legislation, I wish they had not done the silly thing they did some years ago when they suggested it was a matter of personal choice and the solution to the problem was to have a form that could be completed through the Ministry of Education for listing the history of whatever immunization the young person had when entering school, and that in fact immunization was a voluntary thing. It was silly and wrongheaded,



and I could not agree more with the mandating of immunization that we now have before us.

The *Globe and Mail*, in an article by Orland French on June 16, 1982, entitled "The Needle That Saves Children," really directs the compliments and bouquets to the Minister of Education (Miss Stephenson) and to the former Minister of Health as the persons who are responsible for getting the present minister to act quickly on this matter. There is no reference there, of course, to the efforts of members in our party, or for that matter to those of the third party. We were attempting to speak not only on our own behalf; we are not that self-serving or self-seeking. We were responding to what I feel was an honest concern reflected through many organizations, such as the Association for the Mentally Retarded, who spoke with me and with people who preceded me as Health critic about their grave concern on this topic.

The ultimate winners in this whole process are going to be the young people in our community, and that has to be the underlying concern of all of us.

When it comes to the business of passing around bouquets, I would like to take this opportunity to commend such organizations as the Association for the Mentally Retarded for the work they have done behind the scenes. No reference was made to them in any press coverage or in any debate I have heard up to this point, but I submit that we need to commend such organizations for hammering away at something that should have been done a long time ago.

**10 p.m.**

I would point out that the victory is not that of the Minister of Health (Mr. Grossman), the Minister of Education and the Minister of Agriculture and Food. The victory is that of the taxpayer in this province. If one assesses the cost of trying to accommodate the physical needs of a young person who is afflicted with a severe case of measles or one of the other diseases listed in this bill, and the savings realized through not having to provide what otherwise would be a long and complicated service within the hospital setting, the big winner here will ultimately be not only the youngster but the taxpayer who pays that hospital bill.

I would remind the minister that last year I introduced a private member's bill dealing specifically with the theme of measles. When one deals with private members' bills we all know to try to keep them relatively simple. I learned that

the hard way as a new member when I tried to deal with another theme, fiscal responsibility. I introduced a private member's bill that was far too complicated for members opposite to understand or appreciate. It was summarily blocked in the good old Tory fashion.

But last year had an example of a member of the opposition attempting to present to this Legislature a simple theme—one ailment, one disease in this instance—to draw to the attention of the government the concern that we have for this broader theme of mandatory immunization.

In a sense I have got a few things off my chest in the last few minutes, but I wish this had been done earlier. The fact is that it is before us. I support it totally and I would hope the bill would pass very quickly.

**Mr. McClellan:** Mr. Speaker, I am unabashedly delighted to be able to rise and say that I support this bill without any equivocation or reservations. As my colleague the member for London North has said, I think it is long overdue. It is something we have argued for with successive Ministers of Health. The incumbent is to be congratulated for bringing it forward so quickly.

It remains a mystery to me why the ministry did not do this a fair while ago. One of the things the ministry is to be commended for is the quite excellent compendium to the bill, which provides some background data on communicable diseases reported over the years going back to 1977. It is clear that the trend started to show up back in 1978. I do not have data prior to 1977 but I suspect that the trend started to show up even prior to 1977.

The reality has been that with 20 per cent of the child population not immunized, communicable diseases in some areas were starting to make something of a comeback. The ministry always argued that it was a question of parental responsibility rather than community responsibility. We argued this was an erroneous approach to preventable disease.

Today, we stand with a piece of legislation that will close that gap. I am quite convinced it will lower the incidence of vaccine-preventable disease significantly. At the same time, the bill does have very strong and good provisions to safeguard minority viewpoints and religious viewpoints.

I do not think there is a need for much ado about this piece of legislation that has long been awaited and is much welcomed. The minister is to be congratulated for bringing it forward today.



**Mr. Van Horne:** Mr. Speaker, in my comments I neglected to draw to the attention of the minister a concern that I have with section 12, simply to clarify the role of the attendance counsellor, which is spelled out in section 23 of the Education Act in so far as authority to suspend.

I am just wondering—the minister indicated that there was co-operation with the Ministry of Education—if in fact the bill might have to be amended to make sure that proper authority is there for that right, if you will, to suspend a pupil.

**Ms. Copps:** Mr. Speaker, it certainly makes my heart warm to be able to stand twice in one night and throw plaudits at the minister.

I would like to remind the minister that at the time it was introduced for first reading, I stood up and suggested that perhaps in the absence of the Minister of Education (Miss Stephenson) the member from London North, who is the real driving force and proponent behind this legislation, could second the bill.

At that time if one checks the record, the minister indicated he would recognize on second reading the contribution made by opposition members. He said, and I quote, "Wait until second reading." Unfortunately, I did not hear that happen tonight.

The member for London North did point out the very fine contribution made by a number of private organizations across the country, and particularly the Canadian Association for the Mentally Retarded. I would like to take this special time to throw a few bouquets to the member for London North.

In his rather brief tenure as the Health critic, one of his main aims was this particular piece of legislation. That was very apparent last year when he introduced the private member's bill and it was very apparent in the reams of correspondence that I received on that subject when I took over his responsibilities.

Having experienced the joys, or lack thereof, of majority government in Ontario, I have to say there are times when members of the opposition get rather frustrated and feel their efforts are to no avail. This is one case where the member for London North can retire in the good graces and comfort of knowing that in fact it was his effort and the effort of a lot of other people in Ontario that will finally bring this legislation to fruition.

The minister pointed out that the voluntary approach effectively covered only 80 per cent of the children across Ontario, and I would have to agree with the comments of the member for

Bellwoods (Mr. McClellan) and the member for London North that in fact this legislation was too long in coming.

It may perhaps be seen to be trite to say that if there is one child who has been struck by the effects of any of these communicable diseases as a result of the lack of this government—and specifically the previous Minister of Health—to move in this area, then the time has been too long in coming.

All of us on all sides of the House must agree that there should be a mechanism whereby this kind of legislation can be brought forward quickly. I would like to parallel another piece of legislation which is very near and dear to my heart and which I hope will be implemented at least in part by the end of this year, and that is the legislation respecting the paramedic service in the province. For any family or any child who goes through the pain of the after effects of a non-rubella vaccination, I think one day or one week or month is too long to wait, and I hope we can move very quickly to have this legislation brought into effect so that children all over Ontario can be immunized effectively this September.

**Mr. Grande:** Mr. Speaker, I want to stand in my seat and make a few very brief comments on this bill. It is obvious that the bill enjoys the support of all the House, of all three parties; there is no doubt about it. But there is one thing I would like the minister to address. It has been asked why it has taken so long for this bill to come to the fore.

As a teacher in the schools I am certainly aware of the problems with these kinds of diseases that afflict children year in and year out. I am just wondering what the stumbling blocks were; why at this particular time; why not before? It is as simple as that. Maybe it is that the medical profession finally has decided it should be done in a public way, or maybe there was not enough vaccine. I certainly would be very interested in the answer.

10:10 p.m.

**Hon. Mr. Grossman:** Mr. Speaker, the member for Hamilton Centre (Ms. Copps) is quite right. I thought I remembered promising to acknowledge the bill introduced by the member for London North back on June 11 when I introduced the bill. It did not make it into Hansard, but she is—

**Ms. Copps:** Selective deletions. They are a problem. You should do something about that.



**Hon. Mr. Grossman:** I never seek selective deletions; they are not intentional.

I say quite seriously that because I was rather anxious to get second reading this evening I did rush through my earlier remarks, as the members could tell by the speed with which I read them. Had I had a little more time I would have remembered to be fair and to acknowledge the contribution of the member for London North, who did have a bill and who has indeed been pressing this matter in estimates for some years.

I might say as a member of this cabinet that long before I became Minister of Health I have been party to several discussions where the member for Scarborough East, the Provincial Secretary for Social Development (Mrs. Birch), has spoken articulately and often on the need to move this program ahead as quickly as possible.

**Mr. Laughren:** Hardly likely.

**Hon. Mr. Grossman:** It is absolutely true.

**Mr. McClellan:** She could not budge Timbrell.

**Hon. Mr. Grossman:** I am about to be nice to you; do not stop me now. I should also acknowledge the fact that the New Democratic Party has also been pushing for this legislation for some time.

**Mr. Laughren:** Most likely.

**Hon. Mr. Grossman:** No. Their party supported the Health Protection Act a moment ago, and you did not.

I want to encourage the member for Hamilton Centre to get into the habit of extending plaudits and supporting the Minister of Health's legislation. It is not a bad habit.

**Ms. Copps:** It will not happen very often, believe me.

**Hon. Mr. Grossman:** You could get to like it. Try it, you might like it.

**Mr. McClellan:** A communicable disease.

**Hon. Mr. Grossman:** Indeed, we may even continue to provide good compendiums, as the member for Bellwoods noted, if she is this supportive all the time.

In any case, I do want to say in fairness to my predecessor, who was a strong believer in this and urged it upon me when I took this job, that he was working, as was my ministry staff, with the boards of education, with their administrators and with those who have to make sure of the availability of serum in order to ensure that the program could be implemented.

One of the reasons I asked my good friend and colleague the Minister of Education to second this bill was that she was most co-

operative in dealing with this from the time I indicated I really wanted to get this bill in during this session. She helped in getting the boards of education to work as quickly as possible in order to enable this bill to be passed this spring and to be implemented beginning this fall.

As I acknowledge the contribution of the member for London North, the support of the Health critic for the Liberal Party, the support of the NDP, the support of the member for Scarborough East on our side of the House and the work done by my predecessor, I also want to acknowledge the efforts made by the Minister of Education to ensure not only that this bill would be passed but that we could have it implemented and in place by this fall. This means a great deal of work for very many boards over the next couple of months, but, as has been indicated across the floor, I think it will go a long way towards—

**Ms. Copps:** How about Frank?

**Hon. Mr. Grossman:** He supported it as well. Just give me a list. All 70 members on this side have supported this bill and urged it upon me. The member for Niagara Falls (Mr. Kerrio) is against it, but the rest of us are all in favour of it.

In any case, I want to thank members of the House for their support of this important piece of legislation.

Motion agreed to.

Ordered for third reading.

**Mr. Speaker:** Mr. Grossman moves third reading of Bill 142.

**Mr. McClellan:** Mr. Speaker, normally we do not second and third readings at the same time, do we?

**Mr. Speaker:** Yes, you can.

**Mr. Van Horne:** Mr. Speaker, just to remind the minister of what I said a few minutes ago about the section relating to the ability of the medical officer of health to suspend a pupil, I want assurance that there is co-operation with the Ministry of Education, particularly as it relates to the section of the Education Act dealing with the authority to suspend pupils.

**Hon. Mr. Grossman:** Yes, Mr. Speaker, that has been worked out.

**Mr. Van Horne:** Thank you.

Motion agreed to.

10:30 p.m.

## HEALTH PROTECTION ACT

The House divided on Hon. Mr. Grossman's

motion, which was agreed to on the following vote:

Ayes

Andrewes, Ashe, Baetz, Barlow, Bennett, Birch, Boudria, Brandt, Breithaupt, Conway, Copps, Cousens, Cureatz, Dean, Drea, Eakins, Eaton, Edighoffer, Elgie, Epp, Eves, Fish, Gillies, Gordon, Gregory, Grossman, Haggerty, Harris, Havrot, Henderson, Hennessy, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Kerr, Kerrio, Kolyn, Lane, Leluk;  
MacQuarrie, McCaffrey, McCague, McGuigan, McKessock, McLean, McMurtry, McNeil, Miller, F. S., Miller, G. I., Mitchell, Newman, Nixon, Norton, Peterson, Pollock,

Pope, Ramsay, Reid, T. P., Riddell, Robinson, Rotenberg, Roy, Runciman, Ruston, Scrivener, Sheppard, Shymko, Snow, Stephenson, B. M., Sterling, Stevenson, K. R., Taylor, G. W., Taylor, J. A., Timbrell, Van Horne, Villeneuve, Watson, Welch, Williams, Wiseman, Wrye.

Nays

Breaugh, Bryden, Charlton, Cooke, Di Santo, Foulds, Grande, Laughren, MacDonald, Mackenzie, McClellan, Philip, Renwick, Samis, Swart.  
Ayes 83; nays 15.  
Motion agreed to.  
Ordered for standing committee on social development.  
The House adjourned at 10:36 p.m.

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Ontario LEGISLATIVE ASSEMBLY

No. 94

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**  
Wednesday, June 30, 1982

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Wednesday, June 30, 1982

The House met at 2 p.m.

Prayers.

## MEDAL FOR GOOD CITIZENSHIP

**Mr. Speaker:** Before the routine proceedings, I would like to remind all honourable members that the presentation of the Ontario Medal for Good Citizenship is being held in the front lobby at six o'clock this evening, and it would be appreciated if all members would use the elevators and not the great staircase at adjournment this evening.

## HIGHLAND DRESS

**Mr. Riddell:** I wonder, Mr. Speaker, if you would permit me a minute or two to draw to the attention of the House an interesting bit of history that took place 200 years ago tomorrow, since we are going to be celebrating Canada's birthday tomorrow.

All Scotsmen are aware that in 1746, after the suppression of the Jacobite rebellion at Culloden, the Parliament of Great Britain imposed a ban on the wearing of Highland dress. This ban is no longer in effect, but comparatively few Scotsmen seem to be aware of precisely how and when it was lifted.

**An hon. member:** So to speak.

**Mr. Foulds:** The ban or the kilt?

**Mr. Riddell:** So to speak. This year marks the bicentenary of the lifting of the ban. Two hundred years ago the head of the house of Graham, the Duke of Montrose, introduced into Parliament a bill to repeal all those provisions of the acts of 1746 that prohibited the wearing of Highland dress.

After passing through both Houses, the bill received royal assent from King George III on July 1, 1782. During the past 200 years the multicoloured patterns of tartans, genuine and otherwise, have become increasingly popular everywhere, with the result that it can safely be said that the repeal of 1782 has had a greater visual impact in more parts of the world than any other event in recorded history.

July 1 is, of course, a day of commemoration for all Canadians, but this year those who are of Scottish descent will have a second event to commemorate.

## DEATH OF JAMES AULD

**Hon. Mr. Welch:** Mr. Speaker, on behalf of the Premier (Mr. Davis) it is my sad duty to inform the House of the death of James Auld. He was found unconscious in his office this morning. Efforts to revive him in hospital were unsuccessful, and the doctors suspect he died of a heart attack. He was 61 years old.

Of all the members of this House in the history of the Legislature, Jimmy Auld is one of the few who commanded the respect, indeed the affection, of political allies and opponents alike. He was well known for his concern, his caring, his courtesy and his tact. He was dignified and gracious. Even by middle life he had taken on the mantle of the statesman.

A reporter once wrote that if there was a ministry with a burning issue, Auld was the one appointed to find the solution. He had the capacity to bring peace and tranquillity to issues because everyone knew that Auld would do his best. Yet he did not deal with a heavy hand. He was every inch a gentleman, a gentle person. He personified the ideal of what people in public life should be. His staff used to say that he was like someone sent over from central casting.

A wise person once said that you could tell how old someone was by how many friends he had. Jimmy Auld had a lot of friends. After all, by the time he left the House last year he had been around this place for 27 years. His life reads like a textbook case for someone wanting to study a career in politics. Indeed, his is an example for all people to emulate.

He was first elected to public life as an alderman in Brockville in 1951. After George Drew spoke to his father, Auld was persuaded to run in the provincial by-election in 1954. He was very proud of his eastern Ontario roots and he worked to protect the heritage of that region. He served as vice-chairman and acting chairman of the St. Lawrence Parks Commission.

He moved steadily through a series of cabinet posts including Minister of Transport, Minister of Tourism and Information, Minister of Public Works and Minister of the Environment. He was responsible for the Ontario Science Centre, which was Ontario's centennial project, and the reconstruction of Old Fort William. He also

created the Ontario Heritage Foundation. He went on to serve as Minister of Colleges and Universities, as Chairman of Management Board of Cabinet, as Minister of Energy and, finally, as Minister of Natural Resources.

As all members of the House will know, he served with distinction in the Second World War with the Queen's Own Rifles and landed in Normandy on D-Day. In 1978, he was appointed honorary Lieutenant-Colonel of the Brockville Rifles.

Although James Auld retired from this House last year, he did not retire from public service. Instead, he continued his tradition of public service as chairman of the St. Lawrence Parks Commission until June 1 of this year, when he was appointed chairman of the Commission on Election Contributions and Expenses. He was at work in that office this morning.

The list of positions held by James Auld and the contributions he made to life in Ontario could go on as long as a James Auld story. He will be remembered by all of us for having the incredible knack of turning an ordinary shaggy-dog story into a full-length novel. Had he ever been in the opposition, he would have been devastating in a filibuster.

Many of us know that James Auld was also a jazz drummer, and a darned good one at that, and was probably the foremost authority on jazz music ever elected to the Legislature. He was, above all, a loving husband and father. He liked nothing better than to be with his family at their home overlooking the St. Lawrence River, or out on his boat with his wife Nancy, his daughter Alexandra, and his son James Jr.

A talented, gracious, sensitive, dedicated friend has died. We will miss him dearly but we will keep his memory very much alive. On behalf of this government and the members of the Legislature, I extend our deepest sympathies to his wife and children and to the entire Auld family.

**Mr. Peterson:** Mr. Speaker, obvious and genuine affection comes through in the Deputy Premier's beautifully written commentary on this good friend of us all. The untimely death of James Auld so soon after his retirement from the Legislature comes as a shock to all of us and to all of his friends from all sides of the House. He was one member who did have friends on every side of this House. He was admired, respected and well liked, and we could have used him in the filibuster.

Jimmy Auld showed none of the scars from the cut and thrust of partisan debate. He had

style and an engaging smile, he was a genuine gentleman—as the Deputy Premier stated so well—all transcending political ideology. He was a true-blue Tory, there is no doubt, but Liberals and New Democrats liked him also.

**2:10 p.m.**

Typically, Jimmy Auld died this morning in the service of Ontario and the citizens of this great province. A native son, a military veteran, a politician of style and substance, James Alexander Charles Auld will be missed by all involved in the provincial scene.

On behalf of my Liberal colleagues, both past and present, all of us who knew him and served with him, I extend our deepest condolences to the members of his family.

**Mr. MacDonald:** Mr. Speaker, there is not much more that can or needs be added to what has been said by the Deputy Premier and by the Leader of the Opposition. The shock that reverberated throughout this building this morning with the news of Jimmy's death is perhaps the most eloquent testimony to the esteem in which he was held by everybody. If Jimmy were here he would be the first to say, "Let us share some of the stories with regard to Jimmy Auld," and they would be delightful.

I think the member for Wellington South (Mr. Worton) and I are the only persons in the Legislature who shared 25 or 26 of those 27 years with Jimmy. We would agree with everything that has been said about his gentlemanliness, about his humanity and about his exasperating capacity to take an attack and turn it, I am not sure into what, but certainly he turned it.

During the first four years that I shared this Legislature with Jimmy Auld, three members who were fondly dubbed "the three musketeers," John Robarts, Jimmy Auld and Ernie Jackson, shared an apartment in a building on Avenue Road. The stories that came out of the delightful goings on, the *joie de vivre*, should really be set down some time because they are a tribute to James Auld's humanity, his sensitivity and his willingness to have rapport virtually with everybody with very great ease.

We are all saddened today, and I join with the Deputy Premier and the Leader of the Opposition in extending our sense of deep bereavement to his wife Nancy and their son and daughter.

**Mr. Runciman:** Mr. Speaker, I rise on behalf of the people of Leeds to extend our sympathy to Nancy, Alex and Jamie and other members of the Auld family.



Jim's personal relationship with my family goes back into the 1940s when he and my dad were partners in several business ventures. That association in no small way encouraged me to follow Jim's political career with almost the interest of a family member.

It is extremely difficult to accept Jim's passing. He seemed indestructible as far back as when, as a young man, he stormed the beaches of Normandy on D-Day and was the lone survivor of his platoon.

Jimmy not only received the respect and admiration of the people of Leeds during his almost 27 years as an MPP, but also, from many, their love. He was a unique individual and, just as he never forgot us, we will never forget him.

## STATEMENTS BY THE MINISTRY

### EMERGENCY PLANS BILL

**Hon. G. W. Taylor:** Mr. Speaker, today I am introducing for consideration of this House the Emergency Plans Act.

In recent years there has been increasing interest in emergency planning and response by municipalities and the provincial government. This interest was sparked by such incidents as the train derailment in Mississauga. My own involvement in the recent derailment in Medonte township dramatically brought home to me the need for emergency planning legislation.

To review the initiatives taken by the government, in early 1980 the cabinet committee on emergency planning directed that umbrella legislation be drafted. The aim was to provide a comprehensive framework for emergency planning and response by municipalities and the province.

An interministerial committee subsequently prepared draft legislation. In June 1981, my predecessor as Solicitor General released for public comment a discussion paper which included the draft legislation. Public response was received, particularly from municipalities. The suggestions were reviewed by the ministries of the Solicitor General and Municipal Affairs and Housing. Amendments were made as a result of this public comment and a draft Emergency Plans Act was tabled in the Legislature last December.

Further input has come from the Association of Municipalities of Ontario this spring. AMO staff met with officials from the ministries of the Solicitor General and Municipal Affairs and Housing to resolve further outstanding issues.

The members can see that the proposals have

already been the subject of extensive consultation. We look forward to further contributions from the members of this House as the bill proceeds through the legislative process. We are confident the proposed legislation will provide the foundation that is necessary for effective emergency planning and response.

We have worked closely with municipal organizations and municipalities in the formulation of this bill because it is designed to encourage local initiatives and planning in this very important field. The most immediate and effective response to most emergencies should come from the municipal level.

I intend to introduce such draft legislation for review by this Legislature later this afternoon.

## INTERN INQUIRER

**Mr. T. P. Reid:** Mr. Speaker, I have two points of order. I draw to your attention, in case you have not seen it, the Intern Inquirer which was published by this year's interns. I respectfully suggest that, because some of these bright young people will no doubt lose some of that brightness and perhaps run for public office, their names should also be suitably inscribed in Hansard as we go from year to year. You might wish to take that under consideration before the end of the session.

## BUDGET STUDIES

**Mr. T. P. Reid:** Mr. Speaker, I have another point of order related to the Treasurer (Mr. F. S. Miller), who looks as if he is taking orders for pizzas over there to add the seven per cent on.

I had a question on the Order Paper pertaining to the budget papers or the background studies relative to the expansion of the base of the retail sales tax. I asked in that question, which was actually tabled on May 26, "Would the Treasurer please table any background studies, tables, calculations and memoranda which would clarify how this estimate was made?"

The response was that there were some very superficial tables or data drawn up from Statistics Canada. The answer from the deputy minister was, "In the interests of budget security, I feel it would be inappropriate to table background studies, tables, calculations and memoranda that related to the formation of budget policy."

This morning in the standing committee on resources development, the member for Oshawa (Mr. Breaugh) and others, myself included, consistently asked the Treasurer if he had any

studies on the impact of a seven per cent sales tax on the restaurant and food services industry. The Treasurer's answer was, for him, brief and to the point. He said, "No."

There is another contradiction here. I do not know whether we are supposed to believe they had budget studies they would not release, or to believe the Treasurer that there were no budget studies or impact studies. Perhaps the Treasurer would like to respond.

**Hon. F. S. Miller:** Mr. Speaker, I heard the honourable member referring to his written question on the Order Paper and the questions in committee this morning. The questions in committee were quite specific in terms of impact on sales, not whether I had basic background information to help me formulate a budget. Of course I have basic background information to formulate a budget, but part of that information was not specifically the effect upon sales.

#### MINING ACT REVISIONS

**Hon. Mr. Pope:** Mr. Speaker, today I would like to announce the publication of a discussion paper on the Ontario Mining Act.

**Mr. Nixon:** I thought it was the delivery of the jet.

**Hon. Mr. Pope:** That is coming.

**Mr. Ruston:** Where is that jet?

**Hon. Mr. Pope:** The member was in the estimates last September and turned with his tail between his legs when we discussed that matter.

**Mr. Nixon:** Are you paying parking on that?

**Mr. Ruston:** Did you pay customs duty on it to bring it back from Texas?

**Mr. Speaker:** Order.

**Hon. Mr. Pope:** By the way, why did he approve the jet in the estimates? I do not understand that. And he did.

**Mr. Speaker:** Never mind the interjections please.

**Hon. Mr. Pope:** Mr. Speaker, today I would like to announce the publication of a discussion paper on the Ontario Mining Act.

The paper contains a number of proposed revisions which are in response to new exploration technologies developed by the mining industry. Once incorporated into the new act, they will enable individuals and companies to operate in Ontario along simpler lines and with less regulatory interference.

For the convenience of the members, I will

touch briefly on some of the highlights contained in this paper. A staker's licence will be valid for life; block staking or enlarged claims may contain up to 640 acres each; allowance of assessment work credits will be based on dollars rather than man-days, and a lease will be issued for mining rights only.

Also, claim holders intending to assess or develop land must give a written notice to the surface rights owner 30 days before starting work. If any damage results from this work, the claim holder must compensate the surface rights owner. These changes will enable the prospector-developer to plan more effective exploration programs.

I would emphasize, Mr. Speaker, that the revisions are suggestions only. We do not want to legislate anything without full public awareness and support. My ministry is a firm believer in public comment being a part of all of its programs, and these proposed revisions to the Mining Act are no exception.

Therefore, I encourage all members to comment on these proposed revisions and to urge their constituents to make us aware of their views. A copy of the discussion paper may be picked up at any office of the ministry on or after July 16, 1982.

In order that early revision may be made to the existing act, we have requested that submissions be made before September 30, 1982. These should be in writing and sent to my attention.

#### RESPONSE TO WRITTEN QUESTION

**Mr. Breithaupt:** Mr. Speaker, on a point of order: To the Minister of Transportation and Communications (Mr. Snow) with respect to the question asked by my colleague the member for Essex South (Mr. Mancini), which is 195 on the Order Paper. The information there states, "Approximate date information available June 17, 1982," which is two weeks past. The question was initially asked on May 28. Can we be assured that an answer to that question may be available before the end of the session? Is that the appropriate thing to do?

**Mr. Speaker:** I am sure the minister will take note of that and make the information available.

**Hon. Mr. Snow:** Mr. Speaker, on a point of privilege: I can look after that matter right now. I can recall signing that answer at least a week to 10 days ago, I am sure. I do not know where it is.

**Mr. Speaker:** I am sure it will appear.



## ORAL QUESTIONS

### DEATHS AT HOSPITAL FOR SICK CHILDREN

**Mr. Peterson:** Mr. Speaker, I have a question both to the Attorney General (Mr. McMurtry) and to the Minister of Health (Mr. Grossman), and since it looks as if they are dancing over there at the moment, perhaps they would be happy to answer it together.

Perhaps the Attorney General would be good enough to bring this House up to date as to the status of the police investigation into the Hospital for Sick Children? What is happening? What is the interface of that with the Dubin inquiry? What is the state of the information the minister has or various officials have at this point?

**Hon. Mr. McMurtry:** Mr. Speaker, all I can tell the Leader of the Opposition about the police investigation is that it is ongoing. Obviously, a police investigation is not going to be effective if there are regular public announcements as to what is happening. As I indicated earlier, the police are well aware of the importance of concluding their investigation as soon as is reasonably possible. I cannot say anything other than that the investigation is still active.

**Mr. Peterson:** There appears to be a cloak around what is happening. This question could just as easily go to the Minister of Health, if the Attorney General would like to redirect it. My concern is that the Attorney General is now starting to respond selectively to various questions put to him by journalists from newspapers. He is, I gather, vetting those answers through the law officers of the crown, answering certain questions in varying amounts of detail.

Some of the answers to those questions are not correct. They do not conform with the facts. I point out, for example, a particular answer saying that no one had requested a public inquiry when, in fact, the Attorney General has correspondence, as we have correspondence, requesting a full public inquiry into the entire matter.

My question is this: Is the Attorney General going to continue selectively responding piecemeal to questions put to him by journalists and let the pressure mount from articles in the newspapers every day, or is he at some point going to make this thing public, recognizing it will probably ultimately end up with a public inquiry anyway?

**Hon. Mr. McMurtry:** I really have nothing to add. Without being somewhat repetitive, surely the Leader of the Opposition is aware that if

there is going to be an effective police investigation it has to be done in a relatively confidential manner. A public inquiry at the same time as a police investigation is almost abhorrent to our system.

Quite apart from undermining the effectiveness of the investigation, it could also be very unfair to individuals who might be suspects and who, at the same time they are being investigated, are asked to give evidence in a public inquiry. Even the Leader of the Opposition would appreciate that is not the proper course of action.

The Minister of Health certainly does not require me to answer for him. He has attempted to give answers in relation to questions that are directed to maintaining a high level of public confidence in the Hospital for Sick Children. If the member says that is selective answering to selective questions, yes it is, in so far as the answers are obviously calculated not to interfere with or undermine either the police investigation or the Dubin inquiry, which is really a form of investigation and a form of inspection itself.

**Mr. Foulds:** Mr. Speaker, would the Attorney General not admit there are extraordinary circumstances in this case because of the enormous public interest and the enormous steps taken in making statements here in the Legislature? Does he not at least feel a responsibility to report occasionally to the Ontario Legislature, and through the Legislature to the public of Ontario, whether progress is being made in the investigation and whether he sees an end in sight to the police investigation?

**Hon. Mr. McMurtry:** Not necessarily, Mr. Speaker.

**Mr. Peterson:** It is obvious that the Attorney General and I disagree fundamentally on how the police investigation and an open public inquiry, which has the capacity to have hearings in camera, could complement each other. In the absence of information and with the pressure developing every single day—the newspapers obviously have a great interest in this story and a number of parents are still not satisfied by the responses and are very upset about it—I would suggest that the ultimate aim we all want to achieve, clearing the reputation of Sick Children's Hospital, is not being achieved by the method he has chosen.

Since the Attorney General will probably end up with a royal commission inquiry or a public inquiry of some type or other, could he give this House an indication of how long he is prepared

to wait, operating under the present systems he has instituted, before he takes the next step?

2:30 p.m.

**Hon. Mr. McMurtry:** Mr. Speaker, on the advice of the Minister of Health, the government has selected one of the most distinguished jurists of this nation to head and conduct a very careful investigation into the current procedures at the Hospital for Sick Children. Obviously Mr. Justice Dubin will want to make public his first report, if there is more than one report, as soon as possible.

I understand the concerns, but I would think any rational citizen would appreciate the fact that we have a very distinguished Canadian citizen who is looking at the very issues that are relevant to the concerns of parents of patients in that hospital. Surely that is the responsible approach.

**Mr. Peterson:** I do not disagree with his great reputation. That was not the question I asked. However, perhaps I did not ask it very well, or perhaps the Attorney General chose not to answer.

#### TAX BURDEN

**Mr. Peterson:** Mr. Speaker, I have a question for the Treasurer. The Treasurer was at the committee last night and listened to the various municipalities of different sizes and with different problems coming in from all across this province, all making two fundamental points to the Treasurer.

The first point is that the municipalities cannot accommodate some of the cost increases resulting from the expansion of the retail sales tax. It is going to affect their property tax base and increase their taxes in a variety of municipalities.

The second point, and probably the one that makes them even angrier, is the lack of discussion and the unilateral imposition of these taxes on these municipalities, which have caught them short after their budgets have been set.

The Treasurer understands what they are saying. What is his response to these municipalities and these beleaguered taxpayers whom he has put under so much pressure?

**Hon. F. S. Miller:** Mr. Speaker, there was quite a bit of discussion on that matter at the committee last night and at other meetings too. Tax changes can be of two types. I suggest to the honourable member that a fundamental tax change does not involve sales tax application. I suggest that the kind of discussion we have had

with municipalities before was aimed at finding whether there were formulas that could be used for basic funding of municipal and educational expenditures. That kind has gone on, not necessarily with success, but at least it has gone on over a period of years. I do not believe it is currently going on.

What I did was the kind of thing that treasurers past and present have done; that is, increase either the rate of a tax or the application of a tax that was already in existence. It was not a fundamental tax change.

**Mr. Peterson:** With great respect, a great number of people disagree with the Treasurer that it was a fundamental tax change, because he is taxing items previously exempted. That is the reality.

The Treasurer has made great speeches criticizing the federal government and he has said in his own budget that when the tax laws are changed fundamentally one has to work together with citizens and businesses in a co-operative manner; those directly affected, not just the bureaucrats and politicians should have a real say in these matters.

Given the fact that his colleague the Minister of Municipal Affairs and Housing (Mr. Bennett) has called for a new consultation process, and given the fact that these people view it as fundamental, whether the Treasurer does or not, surely that should speak to him and prove to him that he mishandled this situation and that he should have been involved in the consultation process.

At least he owes them the deferral of the tax to the next tax year so they can make the adjustment when they have some knowledge of it. Is the Treasurer prepared to postpone that this year?

**Hon. F. S. Miller:** No, I am not prepared to. On the other hand, I suggest that where there are fundamental changes such as property tax reform, broached back in the early 1970s, or such as total reassessment changes, then there has been very extensive negotiation and discussion.

For example, at present and since my budget of 1981, we have been talking about changing the methods by which farmers are taxed for property taxes. That kind of change has been subjected to multilateral discussions and I believe is just now, about a year later than we predicted, being finalized, not to the total satisfaction of everyone but to general satisfaction.

**Mr. Cooke:** Mr. Speaker, last night the



Treasurer stated to the committee that he felt these municipalities had enough flexibility within their budgets that they could pick up the \$2 million, I believe it was, in Hamilton's case, the \$1.7 million in Windsor's case and those of the other municipalities that came before us; yet the representations before the committee were very clear that they had squeezed every single cent they could out of their budgets.

How can the Treasurer possibly justify not withdrawing that part of his budget or at least providing interim financing for those communities until they can properly budget for it in 1983? How can he justify this in view of the fact that he criticized the federal government for doing the same thing to the province that he is now doing to the municipalities? It is almost exactly the same amount of money.

**Hon. F. S. Miller:** No, Mr. Speaker, I think we talked about the percentages. I pointed out that on average it was 0.5 per cent for the municipalities. I pointed out last night that in their case their prediction of revenues is far more secure than mine. I am facing not only a reduction in revenues but also a potential increase in costs because of social service cost increases that are open-ended. Most of us who try to estimate a spending pattern seldom estimate within the percentage of change this tax caused.

**Mr. Peterson:** While the Treasurer may not feel that these tax changes are fundamental, all the municipal politicians in this province, with very few exceptions, believe that they are fundamental and that they should have been involved in the consultation process.

We can get into a semantic debate about what is fundamental and what is not; but would the Treasurer not agree that this whole exercise we are going through speaks to the deficiency of the budget-making process? He and I and everyone in this House should be working on new methods to share these kinds of decisions with the people affected, as we have suggested before, through the issuance of a white paper and through a standing committee on budgetary matters of this House, to avoid the kind of accusations that have been levelled against the Treasurer day after day, by person after person, in that committee he is sitting through.

That kind of process would have prevented the abuse he is taking now and rightly deserves. Does he not think it speaks to the need to clean up the budgetary process?

**Hon. F. S. Miller:** No, I do not. I suggest to the Leader of the Opposition that immediately after

the budget was presented there was a columnist—I cannot recall just who; I think it was perhaps one in the *Toronto Star*—who commented on my proposal, through the budget paper, to look at personal income tax and Ontario health insurance plan collections. He said the white paper route was the kind of thing that should have been done in other jurisdictions, such as the federal government, before established programs financing was changed.

**Mr. Peterson:** Why don't you take responsibility for Ontario? You can sit here and criticize him all you want.

**Hon. F. S. Miller:** Just a second now. Where we have a major change, we are doing that. The member is trying to imply that a sales tax change is a fundamental, major change. I can assure the member that I understand how municipal councillors feel. At no time did I expect any single municipal councillor, no matter how loyal to this government or this party, to stand up and say he agreed with me.

#### FUNERAL OF JAMES AULD

**Hon. Mr. Gregory:** On a point of privilege, Mr. Speaker: I wonder if I might ask the indulgence of the House. Some members have expressed an interest in the funeral arrangements for Mr. Auld.

James Auld will be resting at the Irvine Funeral Home, 4 James Street East, at the corner of Victoria Avenue and James in Brockville. Visitors will be received on Friday from 2 p.m. to 4 p.m. and 7 p.m. to 9 p.m. The funeral will be from St. Peter's Anglican Church at 2 p.m. on Saturday, with donations to St. Vincent de Paul palliative care fund, Brockville, care of the Irvine Funeral Home.

**2:40 p.m.**

#### CIVIL SERVANTS' WAGE SETTLEMENTS

**Mr. Foulds:** Mr. Speaker, I have a question for the Chairman of Management Board with regard to the wages of Ontario's public employees. The government has already negotiated seven out of nine contracts covering 83 per cent of Ontario Public Service Employees' Union members. Does the minister believe that any of the settlements he has negotiated will fuel inflation?

**Hon. Mr. McCague:** Mr. Speaker, that is a dandy.

**Mr. Foulds:** I thought it was pretty good.

**Hon. Mr. McCague:** I presume the New

Democratic Party agrees that the settlements arrived at to date are reasonable.

**Mr. Foulds:** I wonder if the minister would mind taking another crack at the first question while I ask him a supplementary.

Surely the minister is aware that, of the OPSEU membership of 52,000, 1,700 of those people will earn less than \$15,000 in 1982, 13,235 will earn between \$15,000 and \$17,500, and another 13,157 will earn between \$17,500 and \$20,000. In other words, 54 per cent of all OPSEU members will earn less than the average industrial wage in Ontario.

Can the minister explain what possible relationship exists between a worker in the public service of Ontario trying to raise a family and pay a mortgage with an income of \$15,000 to \$18,000 and Mr. MacEachen's inflationary spiral? If he cannot explain that connection, why has he not made a statement opposing wage controls for those workers?

**Hon. Mr. McCague:** I will only say that—

**Mr. Laughren:** Don't mumble. We are here to help you.

**Hon. Mr. McCague:** Thank you. I was not going to answer the first question, because that was only going to fuel the member's lust for questions; however—

**Mr. T. P. Reid:** What are you reading over there?

**Hon. Mr. McCague:** I am not reading anything.

**Mr. Foulds:** What are you smoking?

**Hon. Mr. Ashe:** Better yet, what is he drinking?

**Hon. Mr. Grossman:** The lust for answers—

**Hon. Mr. McCague:** I find it difficult to look over there all the time.

All the settlements made to date have been achieved either through negotiation, mediation or arbitration. I believe only one has gone to arbitration. I think six categories were voted on. I presume those people were quite satisfied with what we were able to offer them. I presume they were satisfied through the mediation; and arbitration is binding, as the member knows. I think his question is rather silly, especially following the federal budget.

**Mr. Mackenzie:** Mr. Speaker, given the wage levels read out for the public service employees in Ontario and the fact that the negotiations have been tough enough that the average increase for all the workers in the province for the year 1982 is only 11.4 per cent, which is less than the

rate of inflation, why can the minister not give us a public statement rejecting the rather false premise of worker responsibility and the need for wage controls that we have from the federal people? Why can the minister not give us an assurance there will not be any threat to these wages increases for the workers in the province?

**Hon. Mr. McCague:** Mr. Speaker, the honourable member knows very well the Treasurer (Mr. F. S. Miller) has said he is not going to make any public statements until after the meeting today. The Premier (Mr. Davis) has also said that. If the member thinks he is going to sucker me into it, he is nuts.

**Mr. Foulds:** What we have here is a government—

**Mr. T. P. Reid:** Would you ask him another question?

**An hon. member:** The last two words were most appropriate.

**Mr. Breithaupt:** Next year they will ask you another one.

**Mr. Breaugh:** There is a reason we asked you.

**Mr. Speaker:** Order.

**Mr. Foulds:** At least the minister recognized the possibility of being suckered, did he not?

#### OLD AGE SECURITY REDUCTION

**Mr. Foulds:** Mr. Speaker, I would like to ask the Treasurer a question if he is not busy hustling raffle tickets with the seven per cent sales tax attached to them.

**Mr. Speaker:** Ask the question.

**Mr. Foulds:** As the Treasurer is aware, Mr. MacEachen's federal budget the other night has conscripted Canada's pensioners in its fight against inflation. Since the federal Liberals intend to reduce the pensions of 530,074 Ontario senior citizens, is the government prepared to tell the Liberals in Ottawa that Ontario pensioners should not be made to pay for Ottawa's mistakes? Is that one of the messages the Premier is bringing to Mr. Trudeau today?

**Hon. F. S. Miller:** Mr. Speaker, I do not know what message my Premier is taking to Mr. Trudeau. In fact, it was my understanding that Mr. Trudeau was giving the Premiers a message rather than the reverse.

**Mr. Wildman:** You mean you haven't consulted about it?

**Mr. J. A. Reed:** Does Hugh Segal know?

**Mr. McClellan:** That is usually how it is, isn't it?



**Hon. F. S. Miller:** I cannot yell hard enough today. I am losing my voice.

**Mr. T. P. Reid:** You have lost more than that.

**Mr. Speaker:** Order.

**Hon. F. S. Miller:** I have learned also, as I told the honourable member the other day, that it is very difficult to sort out all the nuances of a MacEachen budget and that we all need some time to digest it all—on the assumption that it is at all digestible.

All I can suggest is that Mr. MacEachen appears to have limited the old age security increase to six per cent and appears not to have limited the guaranteed income supplement increase to six per cent. It will take us some time to digest all that. After we do, I am sure my colleague the Minister of Community and Social Services (Mr. Drea), or any other minister involved in assessing the sum total of the needs of the elderly, will be making his or her recommendations to cabinet.

**Mr. Foulds:** The Treasurer will remember that last November, when the federal Liberal government reduced the tax writeoffs to Ontario's corporate sector, he spoke up on behalf of the private sector in Ontario and, in fact, put his money where his mouth was in forfeiting an income of \$135 million by not paralleling the federal action.

Will he not now tell Ontario seniors that no pensioner living in Ontario will see reduced even further what little income they have? Will he make the commitment, here and now in this Legislature, that Ontario will not stand idly by, and will he say that he is willing to spend as much money to protect Ontario's pensioners from the federal Liberals as he was willing to spend to protect the corporate sector from the federal Liberals?

**Hon. F. S. Miller:** I do not think I have to talk about the future. I can talk about the record. I do not know of any province in Canada that can match the overall programs this government has for the elderly, whether it be the \$500 that we pay towards their property taxes, the \$50-per-person sales tax exemption, the free drugs or the additional programs we have for them across this province in chronic health care and in other forms. I would say that Ontario, compared to most places—Quebec, for instance—is heaven.

**Mr. Roy:** Mr. Speaker, is the Treasurer's reluctance to talk to Mr. MacEachen about how, in the opinion of the New Democratic Party, he has dealt so harshly with the senior citizens, caused by the fact that Mr. MacEachen

would justifiably tell him where to go because of the way the Treasurer treated senior citizens so harshly in his own budget?

**Hon. F. S. Miller:** Mr. Speaker, there was no measure in my budget aimed at hurting senior citizens.

**Mr. Roy:** Can the Treasurer explain why his government seems unwilling at this time to take strong steps to ensure that senior citizens do not take a cut in income, since he was so willing a few months ago to settle with one of the highest-income groups in the province, the medical profession, for three per cent plus inflation? Why is he not willing to say he will protect the seniors against the ravages of inflation even if the federal Liberals attack them on that ground?

**Hon. F. S. Miller:** My colleague seems to have missed the import of what I believe Mr. MacEachen has done. If I understand correctly what he did—and I have to qualify this answer, because I am not sure that I do at this point; I have asked for a review of his budget papers and his proposals to make sure that I am right. He has said that people who get OAS alone will get the same kind of increase he is passing through to the balance of the retirees of government programs and the employees of the federal government. If they do not have any other income to bring them up to what the federal government has seen to be the necessary minimum level, he will be indexing the GIS to account for it, so that A plus B remains equal to K, a constant. If A does not grow quite as fast, B grows faster; but you still get the same result.

If that is the case, then he has protected the lowest-income people. He has done something I would have thought the member would have agreed with as a person who believes we should help low-income people, as I do. On the other hand, he has basically said he will not raise everybody automatically, regardless of need.

2:50 p.m.

#### ALBANY CLUB RECEPTION

**Mr. Wrye:** Mr. Speaker, I would like to ask a new question of the Treasurer before he gets back to selling his tickets. The winner is already sold. I bought it last night.

I would like to ask a couple of questions concerning answers tabled yesterday to Order Paper questions of mine. Given that the taxpayers of Ontario paid \$2,500 in American funds for a public speaking course for the Treasurer last

summer, I am sure he will be in fine voice to supply answers.

The Treasurer indicated that the total cost of the reception at the Albany Club following presentation of his May 13 budget was \$6,425.76. Since we tried diligently all morning to get an answer to this question and since the press has tried as well, so far without success, let me ask the Treasurer to answer this question: After the taxpayers of Ontario were asked to swallow a budget that asked them to endure a harsh new set of taxes, who paid for the Treasurer's guests to wash down the bad after-taste with \$6,500 worth of good drink and food at the Albany Club? Where did the money come from?

**Hon. F. S. Miller:** Mr. Speaker, that would have come from the budget of the Ministry of Treasury and Economics.

**Mr. Wrye:** The Treasurer is indicating that after he hit senior citizens, after he hit every wage earner in this province with unprecedented new taxes, this government then squandered \$6,500, which it claimed all evening it could ill afford, to entertain a bunch of Tory hacks.

**Mr. Speaker:** Supplementary, please.

**Mr. Wrye:** Will the Treasurer ask the Progressive Conservative Party to write a cheque to the Treasury so the taxpayers will not be asked to pay for him to entertain his friends?

**Hon. F. S. Miller:** I am glad the honourable member asked that question. I do not know when the tradition of having some kind of entertainment following the budget began. As far as I know, it has been a fixture of this Legislature for many years, as have the receptions following the throne speech and following the opening of the House.

The idea that people at that meeting, and most of them were in this room, were all chosen by the Conservative Party of Ontario is foolish.

**Mr. T. P. Reid:** Let us have a list of who was there.

**Mr. Wrye:** Give us a list of who was there.

**Mr. Speaker:** Order.

**Hon. F. S. Miller:** I would not be able to give the member a list, because I did not take the names at the door. But I want to say the fact that the majority of thinking people in this province happen to be Conservatives makes the majority of thinking people at that reception Conservatives before we begin.

**Mr. Wrye:** They don't happen to be in the majority.

**Mr. Speaker:** Order.

**Mr. Foulds:** Mr. Speaker, does the Treasurer not think that in this time of economic restraint and his preaching about it, a reception such as the one held at the Albany Club should have been cancelled as a symbol of good will to the people of Ontario?

**Hon. F. S. Miller:** Mr. Speaker, one could look at the reception you hold, sir, or those held by the honourable member or by his party or by any of us around here. I simply ask whether he really wants all kinds of public involvement by this government simply stopped? We did that, I suggest, at very low cost per person, and I do not feel in any way apologetic for what has been a tradition.

#### FOREST RESOURCE INVENTORY

**Mr. Laughren:** Mr. Speaker, I have a question of the Minister of Natural Resources. Does he recall that during the consideration of the estimates of his ministry, which concluded last week, he confirmed that ministry personnel were going to do a forest resource inventory of the Black Bay peninsula area and that operational crews would be established and put out to tender to determine an appropriate inventory of wood for that area? That is exactly what the forester Mr. MacAlpine wanted when he was fired for speaking out and demanding it.

Can the minister confirm that the tenders were opened on Monday of this week, that the lowest bidder was Mr. MacAlpine and that when this was discovered the tenders were withdrawn or cancelled and the ministry then decided it would form the operational crews itself with firefighting crews rather than have it done by a professional forester?

Why this sudden change in behaviour? Is it normal for the ministry to put out tenders and then cancel them? Was the minister afraid of being embarrassed about who was going to get the contract?

**Hon. Mr. Pope:** Mr. Speaker, first of all, the honourable member is incorrect in his reason for the firing. Second, he is incorrect when he says fire crews are to do the survey. Third, it is normal and it is done routinely, depending on the manpower available.

If that member and others had been so concerned about it, why did they not go to the open house on the 26th in Thunder Bay about forest management in that area?



**Mr. Laughren:** The Legislature was in session then, Mr. Speaker, and the minister did not answer my question.

Will the minister tell us how he is going to assure us that there is a proper inventory done in the Black Bay peninsula area if he is not going to use professional people to actually do the inventory? Further, will he assure us that if a block is assigned to a user such as Mr. Buchanan, there will be adequate timber left for the traditional users in that area?

**Hon. Mr. Pope:** Provision always has been made for the local operators in that area. The argument all along has been over whether it should be increased.

I would like to say, first of all, that the honourable member has repeated the inaccuracy that nonprofessionals will be doing this work. Second, I can give no assurances until we have concluded our surveys.

#### FIRE TRUCK LICENCE

**Mr. Van Horne:** Mr. Speaker, I have a question for the Minister of Natural Resources in the absence of the Minister of Northern Affairs (Mr. Bernier). I am directing this question to the Minister of Natural Resources because his ministry is indirectly involved and because of the timing.

In the community of Aweres township, an unorganized community in the north with a population of about 3,500 which increases to about 10,000 in the summer, the citizens in that area have taken the initiative to acquire and update a fire truck to give themselves fire protection. If this had been done through the fire marshal's office, there would have been no fee for the licensing of this truck; if the community were an incorporated municipality, it would have had a \$25 fee, as I understand it. However, these people, who have taken considerable initiative, are facing an annual licence bill of approximately \$350 for their initiative.

Is there any way through the Ministry of Northern Affairs or the Ministry of Natural Resources that this fee can be waived?

**Hon. Mr. Pope:** Mr. Speaker, I do not believe so, but I will discuss the matter with the Ministry of Northern Affairs and get back to the honourable member on Tuesday.

**Mr. Van Horne:** The people who called were concerned that they were not being given any direction from the ministry office in Sault St. Marie, and they wonder whether there is some publication or communication that would inform

them of whatever grants might be available, particularly in these unorganized communities.

**Hon. Mr. Pope:** I will get that information together as well on Tuesday, give it to the member and communicate with any individual he might indicate to me at that time.

**Mr. Wildman:** Mr. Speaker, for the information of the member asking the question, the name of the township is pronounced "Aweres," not "Aweers."

And for the information of the minister, this comes under the jurisdiction of the Ministry of Transportation and Communications. Is he prepared, along with his colleague the Minister of Northern Affairs, to approach the Minister of Transportation and Communications (Mr. Snow) and ask that minister whether he will stipulate a basic fee for fire protection vehicles in unorganized communities, as he has done in municipalities this year, so they will pay the straight \$25 fee and no more? Rather than having the dichotomy of municipalities having a break on the licence fees but unorganized communities with fire brigades that are on a volunteer basis having to pay \$350.

**Hon. Mr. Pope:** I think the Minister of Transportation and Communications has heard the question. The member for London North (Mr. Van Horne) requested whether or not I or the Minister of Northern Affairs could find some way around the licensing provisions. That is what we will look at and of course we will advise our colleagues.

3 p.m.

#### GENDRON INDUSTRIES INC. SHUTDOWN

**Mr. Mackenzie:** Mr. Speaker, I have a question of the Minister of Labour. Gendron Industries Inc. here in Toronto, is closing today with a loss of 125 jobs. Could the minister explain to the House why his ministry lacked the ability to delay the closure at least until the feasibility study, financed by both the federal manpower department and the Ontario Ministry of Labour, could be completed in an effort to save jobs in a business which would have been viable given better management?

**Hon. Mr. Ramsay:** Mr. Speaker, my ministry officials looked into that matter at considerable length and found it would not have been possible for us to delay the closure.

**Mr. Mackenzie:** Then could I ask the minister in all seriousness if he is prepared to introduce legislation into this House which would set in place some mechanism to prevent the sell-off of

the assets of a firm which is facing receivership until alternatives to maintain the workers' jobs and the operation have been examined?

Would he also give us an update on the provincial-federal talks, if indeed they are still going on, concerning efforts to give some protection to workers in the cases of receiverships and bankruptcies?

**Hon. Mr. Ramsay:** To answer the last part of the question first, it is my understanding there is legislation just about ready to be introduced in the federal House that would assist us provincially to guard against circumstances such as the honourable member has just described.

I am sorry, the other part of the question?

**Mr. Mackenzie:** Is the minister prepared to introduce some kind of legislation?

**Hon. Mr. Ramsay:** I cannot give that assurance at this time but I can certainly give the assurance that we are looking very seriously at circumstances such as those in this particular case so that in some way we can guard against them and in some way protect the workers.

**Mr. Wrye:** Mr. Speaker, is the minister satisfied with the tone of the legislation which will be introduced in the federal Parliament to protect workers in bankruptcies? Does he feel there would be any need for similar provincial action?

**Hon. Mr. Ramsay:** Mr. Speaker, I cannot say that I am completely satisfied with the "tone," to use the member's expression, of the proposed legislation. It is not as adequate as I had hoped, but certainly it is a step in the right direction and something which I think we can build on here in Ontario.

#### BURLINGTON SKYWAY

**Mr. Bradley:** Mr. Speaker, I have a question which, appropriately, is for the Minister of Transportation and Communications. Appropriate in the fact that they had to wake me up over here.

It is on a favourite subject of his, the Burlington Skyway. Has the minister now sorted out the argument between his ministry and the Ministry of the Environment and I think the Ministry of Treasury and Economics—there is an individual in that ministry as well—over the advisability of constructing either a tunnel, which we feel would be preferable, or a second skyway at Burlington in order to relieve the tremendous traffic problems which beset the people of Burlington, Hamilton, the Niagara Peninsula and probably other places, who happen to use

that very narrow facility which, for one reason or other, is often down to one lane?

**Hon. Mr. Snow:** Mr. Speaker, I am not aware of any disagreements at this time between the Ministry of the Environment and my ministry with regard to that project. We submitted our new environmental assessment a couple of months ago, I guess it would be, or three months ago, to the Minister of the Environment (Mr. Norton). It was processed through his office. His recommendations were published and I believe the 30-day waiting period was to be up on July 9.

The region of Halton and the city of Burlington, which want to have their responses approved at their council meetings on July 7 and 12 respectively—a great day, July 12, my birthday—have asked for a five-day extension to the 30-day period, which puts it on to about July 14, when the responses should be returned to the minister. Then it is up to him to make his decision as to whether he approves the project, orders a hearing, approves it with conditions or whatever position he may take. I do not think there is any disagreement.

I am still concerned about one comment in the review of the report. It is an absolutely ludicrous, stupid comment. I do not know whether it came from the Ministry of Treasury and Economics or the Ministry of the Environment, but it came from one or the other. It said we had not yet substantiated the need for additional capacity across that corridor.

I might tell the honourable member that the work is progressing very well on the level crossing. We have one contract out to tender, which is closing today. So the first contract, for the level crossing, will be awarded within a few days, unless something is wrong with it or unless there is an extension; but I believe the tender call was closing today. There are three more contracts to be called within the next two to three months on that project. We have settled property problems with the Hamilton harbour commissioners, so I do not foresee any delay on that. If there are no major concerns or delays on the second bridge, our hope is still to put that project out to tender in 1983.

**Mr. Bradley:** A slight prelude to the supplementary is that I think we should send whoever it was who made the recommendation that we do not need the bridge back and forth over the bridge at the peak hours, and that person might change his or her mind.

Recognizing that the minister is going to be in a situation where he is probably going to have to repair the decking on the present bridge—I do



not know how it is going to be done, because the whole bridge will probably have to be closed to do it—and recognizing that situation may be upcoming in the fairly near future, can the minister indicate whether there is any chance of advancing the work at all, if all the obstacles from the other ministries are cleared, so that there will not be the situation where the Burlington Skyway will have to be closed completely to get this work done?

**Hon. Mr. Snow:** The first priority is to get these four contracts under way. That will improve the access at the street level or ground level, whatever one wants to call it. We have been successful in working with the Canadian National Railways. The railroad tracks that go across the beach strip will be removed as they are no longer needed. The tracks were only serving one industry, a food company—I cannot remember its name. Alternative transportation arrangements have been worked out with it, so the tracks will be removed; there will not be that conflict, although there was only one train a week, in any case. But the widened bridge over the canal, the lift bridge, will not have to accommodate the railroad now as well as the cars. That tender is to go out this fall, as well, for the widening of the bridge. That is our first priority.

The second priority is to get the new bridge built. Unless there is some delay that I do not anticipate, because basically on our assessment, and I have not heard of any adverse comments—

**Ms. Copps:** A tunnel.

**Hon. Mr. Snow:** The lady wants to talk about a tunnel.

**Mr. Speaker:** Never mind the interjections.

**Ms. Copps:** Your own study suggests a tunnel.

**Hon. Mr. Snow:** We rejected a tunnel and we will continue to reject a tunnel.

**Ms. Copps:** Your study suggested a tunnel. It did not reject it, it recommended it.

**Hon. Mr. Snow:** I do not know where “yappy” is getting her information, but certainly the recommendations are for the twinning of the bridge.

**3:10 p.m.**

We know we have to do major maintenance on the deck of the existing bridge. The plan is to build the new five-lane bridge to take all the traffic off the existing bridge and put it on the new five-lane bridge for one construction season. This will allow us to remove the deck from the old bridge, put the new deck on and remove

the median barrier. That will make it a five-lane bridge northbound. The new bridge will be a five-lane bridge southbound.

We have that all co-ordinated and hopefully no major maintenance, other than what we have to do, will need to be done on the old bridge. That is one of our urgencies in getting the new bridge built, so we can repair that deck before the crisis the member mentioned hits us.

## NURSING HOME CARE

**Mr. McClellan:** Mr. Speaker, I have a new question for the Minister of Health with respect to the Chateau Nursing Home in Kirkland Lake. It is a home for special care accommodating about 77 people of whom 34 are developmentally handicapped children who come under the aegis of the tri-ministry project designed to rescue these children from a condition of program neglect.

Is the minister aware of the conditions at the Chateau Nursing Home which, as a result of staff cutbacks, included children not being changed or bathed, children locked in their rooms, I gather, and children experiencing high rates of absenteeism from school because there were not enough staff to get the children up, dressed and off to school?

Since the place was inspected on May 19 and a work plan was submitted to bring the place up to an adequate level of care, could the minister tell us what action has been taken to make sure staff care in this home for special care is adequate?

**Hon. Mr. Grossman:** Mr. Speaker, the member is quite right that certain inspections have been done and work plans put in place. I cannot give him the information as of today's date, but the last time I was informed about this and checked it, which was last week at the request of the member for Timiskaming (Mr. Havrot), our staff was satisfied the work plan was being adhered to. I am expecting a further report today, I think, on that situation.

**Mr. McClellan:** I would like to ask the minister to intervene directly in this situation. I asked the minister whether he is aware that officials of the tri-ministry project did the program assessments of the children at the Chateau Nursing Home last fall and the service plan was completed in the fall of 1981. It has not been possible to implement the service plan for the retarded children because of the failure of the Ministry of Health to ensure the level of direct care even conforms with the requirements of

provincial legislation under the Homes for Special Care Act.

May I ask the minister to intervene directly in this matter and assure himself the quality of physical care is adequate and that the programs which have been waiting since last fall for the children will be quickly put in place?

**Hon. Mr. Grossman:** The short answer to that is, yes. As we have indicated by virtue of our rather direct action in the case of the Wilson Nursing Home in St. Thomas, I am prepared to make sure immediate action is taken where necessary. Hence, there will be a further report to us this week.

Without commenting on the accuracy of some of the details the member might have presented, none the less if immediate action is required by the ministry as of today's date, the answer is yes, we will intervene to make sure that is done immediately.

#### PROVINCE-WIDE BARGAINING

**Mr. Roy:** Mr. Speaker, I would like to ask a question of my good friend the Minister of Labour. The minister will know that since the institution of province-wide bargaining for trades, a real problem crops up in some major projects.

If there is a situation where there are 10 or 15 different trades and there is province-wide bargaining, the minister will know there is a possibility that, as one trade negotiates, bargains, settles or strikes, it can effectively delay the project, either through a strike by setting up picket lines preventing the other trades from working or, alternatively, by slowing down the project because the other trades need that trade's work to be finished to proceed with the project.

Would the minister advise us if he is monitoring this situation? And would he tell the House what solutions he has for people such as those in Ottawa who are working on a major project, the Rideau Centre, and who are involved in this type of delay where a major project is being slowed down or, as in this case, is months behind because of these problems with the various trades?

**Hon. Mr. Ramsay:** Mr. Speaker, I am aware of the problem. On the positive side, first of all, I would advise that the roofers have just reached agreement on a new contract, which leaves just one component of the construction trades still on strike, that is the plumbers. We are hopeful that this strike will not last much longer and that the problems the honourable member has

described, for this year at least, will have been resolved.

**Mr. Mackenzie:** What are you suggesting? The lack of the right to strike?

**Hon. Mr. Ramsay:** No, I am not suggesting that at all.

**Mr. Mackenzie:** That's what Albert Roy was suggesting.

**Mr. Roy:** I suppose the minister was interrupted in his train of thought and that he had other comments to make as to whether he has encountered that problem on other projects in Ontario. Surely the minister will know that in a busy construction season—which is not the case now—he could effectively run into very serious problems of delay.

May I ask a further question? I would like the minister's response to complaints I have received from some contractors in the Ottawa-Carleton area. Their complaint goes something like this, as I understand it, that most often the negotiations take place in Toronto and often centre on Toronto-area issues. It may be that business or the industry here is relatively slack, so sometimes the contractor may try to start playing hard ball and not mind the fact that the trade may go on strike when other areas of the province are much busier and are feeling the effects of the hard-nosed bargaining that is taking place for another area.

**Hon. Mr. Ramsay:** As I am sure the honourable member is aware, the matters he is bringing to the attention of the Legislature this afternoon can be appropriately addressed by the Ontario Labour Relations Board, and in some cases already have been, including a recent circumstance just about three or four weeks ago.

#### BOARD OF FUNERAL SERVICES APPEAL

**Mr. Foulds:** Mr. Speaker, I have a private member's question for the Minister of Health.

**Hon. Mr. Grossman:** What is a private member's question?

**Mr. Foulds:** Can the minister confirm the fact that a complete and serious review of the Funeral Services Act, 1976, is being undertaken in his ministry? If that is so, can the minister explain what appears to be a very vindictive action on the part of the Board of Funeral Services in taking the Co-operative Memorial and Removal Services of Thunder Bay and Mr. Eric Gowen of Thunder Bay to the Supreme Court of Ontario in order to overturn the decision of Judge P. A. FitzGerald in the district court of Thunder Bay, which exonerated Mr.



Gowen and the Co-operative Memorial and Removal Services in a very well written and carefully argued judgement?

**Hon. Mr. Grossman:** Mr. Speaker, I would just like to clarify in this private member's answer, as it were—

**Mr. Foulds:** Now, now; it is the minister's answer.

**Hon. Mr. Grossman:** Minister's answer to a private member's question. I would like to clarify that the appeal was launched by the board, which is empowered to act totally on its own and must act on its own. It was not done on the advice of or the instruction of the Ministry of Health or the government. The board was exercising what it deemed to be its responsibilities under the legislation.

This matter will ultimately be determined in the courts, once again, on appeal. But I wish to emphasize that this should not be taken as indicative of government policy. It is simply the board exercising its responsibilities as it saw fit.

**Mr. Foulds:** Mr. Speaker, can the minister confirm that the ministry is undertaking a serious review of that act? In that light, because they have contacted me about my intentions with my private member's bill on the matter, does the minister not think it is an act of harassment on the part of the Board of Funeral Services and the registrar, Mr. Steenson, and an act of personal vindictiveness against Mr. Gowen and the Co-operative Memorial and Removal Services of Thunder Bay when they were providing a service that no funeral director or funeral home in Thunder Bay would provide?

Does the minister not think it is his responsibility as the Minister of Health at least to have a little chat with the Board of Funeral Services and get them to withdraw this harassing action of taking a small group of people through a very expensive court action in the Supreme Court of Ontario?

3:20 p.m.

**Hon. Mr. Grossman:** It is a difficult thing. The ministry sets up these boards to exercise certain powers independently. If we have a situation where the minister or the government is uncomfortable with a certain action taken by the board in exercising its responsibilities, we threaten its independence by picking up the phone and making a phone call.

In this case, the member would find that action acceptable because he is sympathetic to the other side of the case. However, it creates a precedent that is unhealthy for the government.

The appointees on that board, whether one agrees with their decision or not, took their responsibilities very seriously.

**Mr. Foulds:** You appoint them.

**Hon. Mr. Grossman:** Yes, that is correct.

It is probably extreme to suggest, as the member is free to do, that the tactic they have taken is tantamount to harassment. I believe they are exercising their rights and responsibilities as they see them under the legislation. That should not be taken to indicate that the government or the minister shares that view, nor should it be taken to indicate that we do not share it. They have simply been given certain powers under legislation passed by this assembly.

If the government picks up the phone, calls the board and says, "We order you, encourage you or would like you to withdraw the appeal you have launched in exercising your statutorily granted powers," it raises severe questions as to whether we should bother with that board or a whole series of other boards that are put in place.

**Mr. Foulds:** That's true. Perhaps they should be abolished.

**Hon. Mr. Grossman:** The member might well argue that case with regard to individual boards but I know in other cases he would want to keep those boards in place.

With regard to the matter the member raised, let me be—

**Mr. McClellan:** Very brief.

**Hon. Mr. Grossman:** —fairly direct. First, there were no calls from the ministry, nor do I think that would be appropriate.

**Mr. Di Santo:** Order.

**Hon. Mr. Grossman:** Second, the activities of the board should not be taken to reflect government policy, only the view of the board in terms of its view of the legislation.

**Mr. Laughren:** Time.

**Hon. Mr. Grossman:** If members do not want to hear the third part of the answer, I will not give it.

**Ms. Copps:** I wish the minister would take the same arm's-length approach with the district health councils in terms of making phone calls.

Mr. Speaker, my supplementary gets back to the original question which the minister in his usual circuitous manner did not answer. Is the government considering the implementation of any changes to the Funeral Services Act as a direct response to the judgement in court that

this particular memorial society was able to carry on its services *ultra vires* or outside the normal funeral services and funeral directors of Ontario?

That question will have an impact not only on this particular memorial society but on funeral services all over Ontario. Is the minister considering any changes to the Funeral Services Act? I wrote the minister a letter in this regard earlier this week so I am sure he is apprised of the situation.

**Hon. Mr. Grossman:** I am apprised of the situation because of the concern raised by the member for Fort William (Mr. Hennessy) arising out of the circumstances referred to by the acting leader of the New Democratic Party.

Before I was so rudely interrupted by the member for Nickel Belt (Mr. Laughren), I was about to point out in the third part of my reply to the previous question that we are going through a series of projects during the summer to decide which ones we want to mount this fall.

In fairness to me and my ministry staff, there are a number of things we wish to review and we have to spend some time this summer making some difficult decisions. This will be one of those we will be reviewing. I cannot tell what we will ultimately decide, because it is a complicated matter and we want to make sure this minister has had the chance to go through all the implications with regard to that and a variety of other matters before we select which matters we want to mount this coming fall.

We will be reviewing the situation. Quite frankly, I cannot tell the member right now what we will decide to do this coming fall. I will say that, in regard to what we might decide this summer, the outcome of that court case will certainly be studied by us at that time.

#### RESPONSES TO WRITTEN QUESTIONS

**Mr. Cooke:** Mr. Speaker, I have a real point of order. I would like to point out that I tabled a question of inquiry to the Minister of Health regarding Wilson Nursing Home on June 11. It was a fairly simple question asking the minister to file the nursing home inspection reports between May 1, 1982, and June 10, 1982. I have received no response and I think that is a violation of the standing orders.

**Mr. Speaker:** I am sure the minister will take note and will comply.

**Mr. Wrye:** Mr. Speaker, I rise to speak on the point raised by my friend the member for Windsor-Riverside and to raise the matters

which I and my friend the member for Algoma (Mr. Wildman) raised yesterday. My friend the member for Algoma, and he may speak for himself, had asked question 216 on June 9. I asked questions 217 and 218 on June 11.

Standing order 81(d) says interim answers must be supplied within 14 days. I wonder how much longer we are going to have to sit idly by and allow this government simply to ignore the standing orders when it is to its benefit to do so.

**Mr. Speaker:** Undoubtedly the minister will take note and will reply at the appropriate time.

#### TRANSLATION SERVICES

**Hon. Mr. Wiseman:** Mr. Speaker, I would like to take this opportunity to rise on a point of personal privilege so I may correct the record. On Tuesday, June 29, I was asked a question in this House by the member for Prescott-Russell (Mr. Boudria) regarding the Social Assistance Review Board decision which was forwarded by the board to our translation bureau for translation.

In my response, I stated the last document received by the translation bureau from the Social Assistance Review Board was on June 7 and was returned on June 14. Those dates are incorrect. The correct dates are June 15 and returned on June 22. This is the one the honourable member was concerned about. He told me the name of the person concerned after question period. I must emphasize that these documents were processed within the standard five working days' turn-around time.

**Mr. Boudria:** Mr. Speaker, if I can speak to the same point of privilege: The information that a delay of three weeks was caused by awaiting the translation was given to me by the secretary of the chairman of the Social Assistance Review Board.

I note the Provincial Secretary for Social Development (Mrs. Birch) is in this House at the present time. I hope she will take note that this erroneous information was given by officials of a ministry for which she is responsible. I hope that excuse is not given again for delays in providing information to honourable members of this House.

#### RESPONSES TO WRITTEN QUESTIONS

**Mr. Wildman:** Mr. Speaker, with respect to the point of order that was raised earlier, I would like to know if we could get some kind of explanation from the acting government House leader as to the reason for the holdup in the



provision of at least interim answers as required under standing order 81(d).

Earlier, the Minister of Transportation and Communications (Mr. Snow) made a statement that he had signed an answer to a written question some time ago. It has yet to appear at the table and be put in Hansard. What is the holdup? What is the problem with the Cabinet Office?

**Mr. Speaker:** I think that might be more appropriately asked during oral questions.

**Mr. Foulds:** Mr. Speaker, with great respect, it has to do with the procedures of this House which are not being abided by. There is a holdup on answers provided by ministers to the Cabinet Office. They are not being filed and presented in this House in the time period clearly outlined in the standing orders of the House; therefore, there is a violation of the processes, procedures and standing orders of the House. It is not a question for question period. It is a question of getting the processes working properly.

3:30 p.m.

**Mr. Speaker:** You are absolutely right. I meant the question might be more appropriately asked during oral questions.

**Ms. Copps:** It's a standing order.

**Mr. Speaker:** Right. I assume the appropriate ministers have taken note.

**Ms. Copps:** Mr. Speaker, we have an Order Paper upon which we as members are allowed to put questions. Why should you suggest that we should be asking questions in question period when we have a forum for Order Paper questions?

**Mr. Speaker:** Quite obviously, that is not what I suggested.

**Hon. Mr. Gregory:** Mr. Speaker, the obvious answer is that with the number of questions filed by the opposition, it takes some time. It is not a matter of saying the question is a simple one. They pile up and the same staff is required for answering all those questions.

If the member for Windsor-Sandwich (Mr. Wrye) had stayed, rather than rising on a point of order and leaving right away, he would have noticed in a moment that we have the answers to the very questions he asked about. He obviously was not that interested. He ran to get out of the House right after he made his point of order.

## TRANSLATION SERVICES

**Mr. Roy:** Mr. Speaker, I have two brief points of privilege. The first one has to do with the question raised by my colleague the member for Prescott-Russell (Mr. Boudria) and responded to by the Minister of Government Services (Mr. Wiseman).

I fully accept the minister's response that the service which was complained of by the member was not the reason for the delay. I would ask the minister to investigate this situation. Members who require translation services are starting to get excuses from other people within the civil service. I do not know what is going on, but the reason given for the delay is translation services.

He will appreciate this can be fairly touchy. If people start using that as a crutch for delays in answering, not only does it do the member a disservice, but it does a disservice to the translation services people who are rendering, we hope, an effective and efficient service. It does them a great disservice and it does the process a disservice to use that as an excuse when it is not.

I hope that will be investigated and we will not get that as an excuse when it is not.

## WITHDRAWAL OF UNPARLIAMENTARY LANGUAGE

**Mr. Roy:** Mr. Speaker, my second point of privilege is this: You will know me as a parliamentary purist. As one who wants to use accurate vocabulary in this place, I thought I heard earlier in question period the Minister of Transportation and Communications (Mr. Snow) call my colleague from Hamilton "yappy."

I thought that expression was unparliamentary, just like such words as "hypocrite," "bandit" and things of that nature. I am sure the Speaker will rule that for the minister to call my colleague that particular word is unparliamentary and he should apologize.

**Mr. Speaker:** I think, with all respect, it was not unparliamentary. I think if you were to look at the standing orders, you would find that all interjections are out of order.

**Hon. Mr. Grossman:** Hear, hear. I can say that's preposterous.

**Mr. Roy:** Can I call the Minister of Health "yappy" then, because that is what he is?

**Hon. Mr. Grossman:** You are misleading the House.

**Mr. Speaker:** I have heard worse.

## NURSING HOME CARE

**Hon. Mr. Grossman:** Mr. Speaker, the mem-

ber for Windsor-Riverside (Mr. Cooke) has raised the fact that we have not yet responded to question 219. The acting House leader has indicated that questions 216, 217 and 218 will be responded to in a moment. The answers will be tabled.

On question 219, I would like to apologize. We do like to get the answers in on time even when it is only an interim answer. I would like to indicate to the House that the delay is because a great deal of the information contained in nursing home inspection reports is confidential and would indicate certain health related matters as they related to individual residents of the nursing homes. In other words, it would impinge in some way on the secrecy surrounding their own health conditions.

We have been working on a way to answer that question satisfactorily for the member which may get around that problem of confidentiality while still satisfying the request. We did think we would have that problem solved so we could table, or at least so I could forward to my friend, the appropriate information, thus obviating the need for this answer.

However, that does not explain the fact that we have passed the time limit, and I apologize for that, other than to say it was an effort in good faith to supply as much information as possible without betraying a confidence.

As a point of privilege, I should also like to take this opportunity to invite the same member to reflect upon the statement he made on June 4 with regard to that same nursing home. He indicated that the condoms being worn by the patients in that nursing home were ordered by the physician who was the owner of that nursing home. With respect, that information is not accurate. In fact, in each case the condoms were ordered by another doctor.

Since that would imply, as I indicated at the time, some very serious allegations against the owner of that nursing home, I would ask the member to reflect upon that circumstance. I would ask him to take the opportunity, if not this afternoon then next Monday, to correct the record in fairness to the owner of the nursing home whom, as he knows, we have been very direct with and not very easy on in terms of operating the home. I am not here to defend that operator, whom we have been cracking down on quite severely, but in fairness to all those affected by the parliamentary record, I invite the member at least to correct the record.

**Mr. Cooke:** Mr. Speaker, on the alleged point

of personal privilege, I appreciate the first part of the minister's answer. If he is attempting to design a way we can get nursing home inspection reports in a way that does not violate confidentiality of individual patients, I would appreciate that. I think that would be a good move on the part of the Minister of Health.

It could have been supplied in the form of an interim answer so that I would not even have raised this matter but, none the less, I appreciate that effort on the part of the minister.

On the second part of his point of privilege I think, and I will review Hansard, the question was raised in a way which indicated: "This is information that was given to me. Now go and do the inspection and report back to the Legislature."

#### RESPONSES TO WRITTEN QUESTIONS

**Mr. Grande:** Mr. Speaker, I too, like the other members of this Legislature, have put questions on the Order Paper—numbers 144 and 145, which date back to May 12, 1982. I received interim answers on May 27, which indicated that the approximate date information would be available was June 20, 1982. Up to this day I have not received answers to those two questions. I would hope that you will look into the matter and get those answers prior to the Legislature adjourning.

**Mr. Speaker:** As the member may appreciate, it is not my responsibility, nor my duty, to look into it and report back. However, I am sure the House leader has taken note of the member's complaint and will comply with it.

#### LEGISLATIVE INTERNS

**Mr. Speaker:** If I may have the indulgence of the House, at the request of one of the members I would like to recognize the services that have been supplied by the legislative interns for 1981-82. I understand this is their last day, so I would like to take this opportunity of reading their names into the record.

Daniel Cayen, Sturgeon Falls, Ontario; Elizabeth Deichert, Zurich, Ontario; Robert James Donelson, Hamilton, Ontario; Mary J. Gibbons, Ottawa, Ontario; Leona Constance Lang, Thunder Bay, Ontario; Monica Carol Neitzert, Thornhill, Ontario; David John Pond, London, Ontario; Robert Steven Speller, Hagersville, Ontario.

I am sure all members will join with me in thanking them for the many services supplied.

[Applause]



## MOTIONS

### STANDING COMMITTEE ON ADMINISTRATION OF JUSTICE

Hon. Mr. Gregory moved that the standing committee on administration of justice be authorized to sit the afternoon of Tuesday, July 6, 1982, to consider Bill 62, An Act to amend the Municipal Boundary Negotiations Act, 1981, and that the said bill be reported back to the House by the committee on Tuesday, July 6, 1982.

Motion agreed to.

3:40 p.m.

### BUSINESS OF THE HOUSE

Hon. Mr. Gregory moved that when this House adjourns today it stands adjourned until 2 p.m. on Monday next.

Motion agreed to.

## INTRODUCTION OF BILL

### EMERGENCY PLANS ACT

Hon. G. W. Taylor moved, seconded by Hon. Mr. Eaton, first reading of Bill 167, An Act to provide for the Formulation and Implementation of Emergency Plans.

Motion agreed to.

**Hon. G. W. Taylor:** Mr. Speaker, I have no further comments on the bill in addition to my statement earlier this afternoon.

### ANSWERS TO QUESTIONS ON NOTICE PAPER AND RESPONSE TO PETITION

**Hon. Mr. Gregory:** Mr. Speaker, I wish to table the answers to questions 85, 152, 190, 216, 217, 218, 220 and 225 on the Notice Paper, and the response to a petition presented to the House, sessional paper 139 [see appendix, page 3392].

## ORDERS OF THE DAY

### THIRD READINGS

The following bills were given third reading on motion:

Bill 15, An Act to amend certain Acts respecting Regional Municipalities;

Bill 92, An Act to amend the District of Parry Sound Local Government Act, 1979;

### RIDEAU CENTRE MORTGAGE FINANCING ACT

Hon. Mr. Sterling moved third reading of Bill

105, An Act respecting the Mortgage Financing of Rideau Centre in the City of Ottawa.

**Mr. Speaker:** All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

## THIRD READINGS

(continued)

Bill 120, An Act to amend the Certification of Titles Act.

Bill 143, An Act to amend the Operating Engineers Act.

**Mr. Nixon:** On a point of order, Mr. Speaker: The member for Carleton (Mr. Mitchell) moved third reading of Bill 120. Is it not usual for a minister of the crown to move government bills?

**Mr. Speaker:** Not necessarily. No.

**Mr. Kennedy:** That is our job, Bob.

## TECHNOLOGY CENTRES ACT

Hon. Mr. Walker moved second reading of Bill 124, An Act to establish Technology Centres.

**Hon. Mr. Walker:** Mr. Speaker, we will go into committee to consider an amendment related to the annual report, which has been the more recently agreed upon position in this Legislature as it relates to the report being submitted. I will be asking at some point to go into committee for that purpose.

There should be a statement delivered to honourable members and this is an opportunity to bring members up to date on the technology centres.

Members of the Legislature will recall that in the economic development strategy of the Board of Industrial Leadership and Development we proposed to establish a number of centres across the province designed to capitalize on the opportunities inherent in emerging technologies.

Since that time we have announced the location and mandates of six high-technology centres, representing an estimated expenditure by the Ontario government of \$126.5 million during the next five years.

The six spheres of the development to be served and the locations of the centres respectively are: microelectronics in Ottawa, computer-aided design and computer-aided manufacturing, CAD/CAM, in Cambridge, robotics in Peterborough, resource machinery and equipment in Sudbury, auto parts in the Niagara Peninsula near St. Catharines and farm equipment and food processing in Chatham.

We currently have advisory boards for most of these centres and on the passing of this act we will begin to appoint boards of directors. Each board will consist of no fewer than five and no more than 15 people drawn from a cross-section of those areas of business associated with the activities of each centre. The boards will reflect the local communities, the province at large and various interest groups.

The boards' first task will be to recruit a president for each centre and it will be the directors' continuing responsibility to supervise the management of the centres.

The centres are to be established as crown agencies with a high degree of sensitivity to the needs of the private sector and will be commercially responsible in their business dealings.

The chairman of each of the centres will report to the Minister of Industry and Trade and will be responsible for the submission of an annual report to the minister. I intend to report annually to the Legislature on each centre's progress.

A sunset factor is implicit in the act in that every second annual report will have to justify the existence of the centre. The centre will end its business when its mandate is complete.

As for the mandate of the centres, it will be primarily to adapt and demonstrate technology useful to both industry and commerce and to advise industry on how best to apply this technology. This activity will be directed primarily at specific industries, but will also serve small and medium-size businesses in general.

While general technical and market information available to the centres will be made known to business and industry across the province, proprietary information developed with a client will be treated as confidential. While it is the intention of the government to fund these centres through their startup phases, it is intended that the centres will be at least 50 per cent self-funding by the end of their fifth year of operation.

To that end, it is incumbent upon the centres, through their boards of directors, to enter business deals with individuals or companies in an undertaking that will benefit the centres themselves and promote diffusion of technology throughout Ontario. In general, however, the major source of self-funding will be revenues derived from fee-for-service work.

Central to the philosophy of this act is the fact that as Canada's most industrialized province, Ontario faces intense international competition for the provision of goods and services. The

world's economies are undergoing massive structural readjustment aggravated by a protracted international recession and punishing interest rates.

**3:50 p.m.**

To meet those kinds of challenges calls for some very tough decisions, decisions that must lead to increased productivity and reduced costs. The application of high technology can and is bringing about huge productivity gains in many of the industrialized countries of the world. It is those self-same developments in new technology that will place Ontario at the forefront of the new industrial revolution.

I would like to outline to the members details of each of these new centres. At the very heart of high technology is microelectronics. It is with this in mind that we committed a total of \$28 million to build, equip and operate a centre for microelectronics technology in the heart of Canada's high-technology industrial sector, Ottawa.

I want to be specific about the money being established here. The \$28 million is basically a ball-park figure. It is impossible to ascertain the precise amount until our business plans are in the approval stage, but it is merely an intention of providing some form of comparative definition that we have established the figure of \$28 million. It does not mean there is going to be a \$28-million building erected in Ottawa.

What it means is that over five years \$28 million has been set aside in general terms for the purpose of the funding of the operation as we envisage it. A building might be established that might cost under \$3 million, perhaps under \$5 million; the figure is yet to be determined. However, it must be kept in mind that we are not specifying the amount of \$28 million to a building, but rather to an entire five-year process. That will apply when I make reference to each of the centres here.

The mandate of this centre, the microelectronics centre in Ottawa, is to assist small and medium-size manufacturers to obtain, understand and adapt the essential custom-made semiconductors, or chips, for new product innovation. The centre will also help generate a general awareness of the innovative potential of microelectronics and provide a focal point for the development of educational resources to meet the training challenges of microelectronics technology.

Coupled with the development of microelectronics are two other leading-edge technologies. One is computer-aided design and computer-



aided manufacturing, known as CAD/CAM, and the other is robotics. Peterborough was chosen as the site for a facility to assist Ontario's industries in adapting appropriate robotics technology, while Cambridge will be the location of the centre for the development of CAD/CAM technology. Together they represent a \$40-million component, again over five years, of the Board of Industrial Leadership and Development program, aimed at helping Ontario industries achieve significant increases in productivity and international competitiveness.

The robotics centre's first major program will be equipping and programming a mobile unit to tour the province to show manufacturers robotics and CAD/CAM technologies and equipment. The Cambridge CAD/CAM centre's role will be to promote and encourage the adoption of leading-edge, innovative manufacturing technologies, especially among small and medium-size firms throughout the province.

In Sudbury, a \$19-million centre, again over five years, will be built to investigate opportunities for developing domestic machinery and equipment manufacturing capability for our resource-based industries. As well, the centre will identify the capabilities and needs of machinery and equipment manufacturers supplying the resource sector.

While Canada is a leader in mining and forestry production, it is well below its potential in development of resource machinery and equipment. This centre will work to secure new markets for mining and forestry equipment, and create jobs in those sectors.

I should not have to remind members that the long-range competitiveness of Ontario's auto industry must remain a cornerstone of our economic development strategies. To assure and enhance this industry's competitiveness, we have announced a \$25-million auto parts centre, again over five years, to be built in the Niagara Peninsula near St. Catharines.

This centre will be the focal point for bringing together the interests of parts suppliers, automotive companies, unions, universities, research organizations and governments to develop programs to keep pace with the rapid evolution of parts technology, both within North America and abroad.

The auto parts centre will also promote and stimulate technological developments in the industry, and disseminate information on international markets and future trends and development. In so critical a sector of Ontario's economy, auto parts manufacturers must pro-

duce increasingly sophisticated products in a cost-effective manner while meeting top quality control standards if they are to survive. The auto parts centre will help this sector meet those goals.

Agriculture and food is a \$10-billion-a-year industry in Ontario, employing 73,000 people in food processing, more than 10,000 in farm machinery production and 85,000 farmers. Under BILD, we have announced a \$14.5-million farm equipment and food processing technology centre in Chatham, the heart of Ontario's most intensive farming area and the centre of the food processing industry.

This world-class centre will work closely with Ontario-based research institutions, food processors, manufacturers and growers to adapt and introduce state of the art technology for use here and around the world. The centre will adapt and demonstrate farm and food processing machinery. Assisted by the Ontario Farm Machinery Board and the Ontario Farm Safety Association, the centre will also test the operation and safety of farm equipment submitted by the manufacturers. Further, it will provide information on farm and food processing machinery and give food processors a consulting service of extension specialists and technicians.

Vital to the industrial technology development in this province is the role of the Innovation Development for Employment Advancement Corp., a crown agency reporting to the government through the Ministry of Industry and Trade. The corporation is charged with identifying the future technology development needs of industry in Ontario and serving as a broker among private, public and university research interests to ensure that the great promise of technological advancements is fulfilled to the benefit of Ontarians.

While not a high-technology centre, as are the six covered by this act, the IDEA Corp. has the responsibility to approve funding for external research and development activities associated with the centres. When suggestions come from the technology centres for basic research to be conducted on a new piece of technology, they will be forwarded to the IDEA Corp. for consideration. In this way, there will be a regular two-way flow of information between the IDEA Corp. on the one hand and the technology centres on the other, with respect to their complementary but separate functions.

All these BILD projects taken together will ensure not only that Ontario remains at the forefront of technological innovation, but also

that the consequent industrial applications are brought into use. These centres will improve the supply of trained researchers, provide world-class technical and industrial facilities and ensure a healthy climate of innovation and essential economic adjustment in our economy.

As I am sure members of this Legislature are aware, the announcements of the technology centres have been received most enthusiastically both by the municipalities where they are to be located and by the specific industrial sectors involved. However, I have heard some expressions of concern about the centres competing with the private sector. I would like to give this assembly my strongest assurance that the centres are being created to encourage and to assist Ontario's small and medium-sized industries to adopt and use these new technologies to their fullest advantage. They will not duplicate or supplant but will, in a spirit of partnership, assist our private sector to meet successfully the unprecedented risks and challenges before us.

To date, we have made considerable progress in establishing these centres. The first requirement for each centre is to develop a business plan or a detailed proposal that will translate the centre's mandate into a plan for action. These business plans include the centres' financial requirements and revenue estimates, capital requirements, staffing and proposed startup activities. The plans will serve as blueprints for the incoming management and ensure that a centre can start immediately once it is formally established.

#### 4 p.m.

For four of the centres—microelectronics, CAD/CAM, robotics and resource—business plans already have been drafted. These plans are now being studied by my officials, and I expect that all four will receive final approval by the Board of Industrial Leadership and Development and the government by the end of July. Meanwhile, planning for staff recruitment and the appointment of boards of directors are well under way. Advisory boards, which are ad hoc groups of knowledgeable people who represent the range of interests covered by each centre and who have helped in the startup process, are in place for these four centres and are assisting in the preparation of our five-year business plan.

The other two centres—auto parts and food processing—which were announced this March, have not yet progressed as far as the first four. However, work is under way to develop business plans and appoint advisory members for both centres, and this should be completed by

the end of this month. In fact, just last week the Auto Parts Manufacturers' Association of Canada was chosen to develop a business plan for the auto parts centre.

I might add that in the case of the food processing centre, I am working closely with my colleague the Minister of Agriculture and Food (Mr. Timbrell) and his officials. Of course, I am also working closely with the Minister of Natural Resources (Mr. Pope) to bring the resource centre on stream.

Earlier I spoke of a spirit of partnership between the private sector and the centres themselves, which is essential to the vitality of this undertaking. This spirit of partnership is already well manifested in the tremendous assistance given to the ministry by private companies, both individually and through industry associations, in the shaping of these technology centres.

I especially want to acknowledge the support and involvement of Bell-Northern Research Ltd., the Canadian General Electric Co. Ltd. and the Auto Parts Manufacturers' Association of Canada, as well as individual business and technical people too numerous to mention in the planning and startup phases. We have also received generous support from academic institutions and the local communities in which these centres will be located; we could not possibly have moved as far forward as quickly as we have without their help.

Lest any questions exist about the government's intent and concern, let me emphasize that it will be the responsibility of the boards, through annual reports to my ministry and to the Lieutenant Governor in Council, to enunciate clearly that the mandate of these centres is being fulfilled and, later on in the operational period, to assess whether the mandate is still appropriate or whether it should be changed to reflect realities in the economy.

It is no coincidence that economic progress is most visible and real in those countries where government, labour, industry and academia work together. These Ontario centres for the advancement of high technology and innovation are possibly unique in North America in their intent to bring together the tremendous expertise and energy of these four sectors. I believe they will help move the province towards a new era of technological advancement, greatly assisting our industries to reap the full benefits of high-technology innovation and its industrial applications.

I am confident that the Legislature shares my



enthusiasm and support for this new venture in public leadership. After legislative approval is granted, I intend to provide members and the public at large with regular progress reports on the centres during the critical months ahead.

**Mr. Sweeney:** Mr. Speaker, I thank the minister for that statement.

Let me say at the outset, speaking on behalf of my party, that we will support this legislation, because it is an initiative that we ourselves had recommended in times past. I do not say this in any partisan sense, but there is an obvious need for this kind of initiative.

We would have done it slightly differently, however. First of all, we would not have done it with the so obvious partisan political ramifications; and I will speak to that in a couple of minutes. We would have associated it much more strongly with the research universities in Ontario than the minister has, particularly given the fact that the research centres in our various institutions are at present suffering rather grievously with the reduction in funds by the minister's colleague in the Ministry of Colleges and Universities.

Having put that aside, let me also say very clearly that the minister should not expect any congratulations from us. What has been done and what is being done is something that should have been done long ago. As a matter of fact, if we were not in such desperate economic straits in Ontario, if we did not absolutely have to do something to turn the economy and the industrial base of this province around, I would almost be tempted to say that it is too late.

The minister is well aware of the fact that every economic indicator that has been examined for the 1970s has shown nothing but a downturn and a decline of the economy and industry of Ontario.

It is all very well for the Premier (Mr. Davis) to berate members of the opposition as doom-sayers and to reflect on our negative attitude, as he sees it; but the facts speak for themselves. Every reputable economic board, agency or conference—whatever you will—that has examined the economy and industry of Ontario during the decade of the 1970s has said we have not fared well. As a matter of fact, on a list of indicators that included something like 15 or 16 items, Ontario was either at the bottom or near the bottom on 12 out of the 16. That is not a very good picture.

The point I am obviously making is that, as much as we support this action now, it is a scandal and a tragedy that this action was not

taken almost 10 years ago. The minister will probably say in rebuttal, "But we did not know about all these things 10 years ago." I would challenge that. We could go through each one of these centres and show where an indication was clearly evident that Ontario, as the industrial heartland of Canada—the minister himself has used this phrase so often—needed to move in these directions.

We have said for a long time that Ontario is weak industrially and economically, far weaker than it ought to be or needs to be, because of the lack of a clear-cut industrial strategy; and flowing from that is the very high price we are paying in human terms because of a lack of manpower strategy.

The minister will be well aware of the fact that you cannot have an effective manpower strategy if you do not have an effective industrial strategy first. You cannot give guidance and counselling, particularly to young people who are still in our schools, as to what the industrial, economic and commercial future of our province will be if you do not have some sense of where you are heading and where you are going to put your priorities, your research, your marketing technology and your marketing expertise. That is what has been sadly lacking in this province.

So the minister should not expect any congratulations from us because he is now taking this action; it should have been done long ago. We have paid, are paying and will continue to pay a very high price indeed in economic and human terms for that neglect.

I point out that there are other jurisdictions in the competitive western world which have done so much better than us primarily because they took a position of leadership rather than of followership. All we need to do is look at areas such as Japan, West Germany and some of the Scandinavian countries to recognize that they had an industrial strategy which anticipated these very kinds of needs; that is why they got the jump on us.

**4:10 p.m.**

I support this legislation at this time because it is something we must do—our economic and social survival are at stake—but it is something we should and could have done long ago.

We have waited until the industrial base of this province is at flat bottom and our industries, one after the other, are toppling. Those industries that are hanging on by the skin of their teeth are underfinanced and, in many cases, undermanaged and grossly underresearched.



There are a few that are doing quite well, for the most part because of their own initiatives and not because of the initiatives of this government and, I am sorry to say, in many cases not because of the initiatives of the government in Ottawa.

The fact remains that we are the parliament of Ontario, we are Ontario legislators and our first responsibility is to this jurisdiction. We must look to what we have not done, what we ought to have done, what we could have done and what we should have done.

I have indicated that we are paying also in human and social costs. I hope we have learned some lessons. As we move ahead, it is obvious that the new technology endorsed by this legislation is going to mean a massive shift in the employment opportunities of our people. That massive shift will be in two areas.

First, many of the existing jobs and those that existed in the recent past will no longer be there. If we proceed with this new technology and to apply this new technology, we are simply going to exacerbate that very problem. Let me make it very clear that I am not suggesting we should not move ahead. I am only suggesting that in the movement, in the progressive steps that we are taking, we must recognize the human dimension. We must recognize the price that is going to have to be paid by the people in this province who have recently held jobs and who do now hold jobs.

I must tell members that as yet I have not heard or seen anything in the legislation to indicate that the government recognizes the human dimension, the employment dimension, of this entire operation. I have not seen it in the five, six or seven press releases and copies of speeches that were made either by this minister or by the previous minister, or by the member for Algoma-Manitoulin (Mr. Lane), the parliamentary assistant.

I just want to be sure that we take cognizance of that now, while we are debating the implications of this legislation in this parliament. The first thing we have to do in preparing our people as we move into this is to keep several steps ahead. For example, the minister talks about the robotics research centre in Peterborough. We know that our industry is going to move into robotics; it has to move into robotics if it wants to remain competitive in the western world, particularly with some of our more influential trading partners.

I have to ask the minister, not who is going to design these, because we have the engineers to

do that, but who is going to build them? Do we have the technological expertise and the skilled people to build these robotics? Who is going to install them in the plants? Who is going to maintain them? Who is going to change the programming from time to time?

I suggest that we do not have those kinds of people in this province; we do not have nearly enough of them. What are we doing about it? I have not heard a thing about that. That is the human dimension. That is also the dimension that is either going to make this thing work or not. The minister well knows he can put all the machines he wants into place, he can put all the technology he wants into place, but if he does not have the skilled human beings who are going to build, install, maintain, reprogram and keep them competitive, then it will not work. Therefore, there is very much a human dimension to this whole issue which I have not yet heard anything about.

I spoke earlier about the political gamesmanship that has been rampant in this whole issue. I draw attention back to the 1981 election and to the tug of war that was exerted, for example, between Peterborough and Cambridge, as to which was going to get the robotic CAD/CAM centre. At that time, they were thinking of only one centre. Both cities were told, "Be good boys, do the right thing, make the right choices, and you will get your reward."

The same thing happened between Chatham and St. Catharines, as the minister will well remember, with respect to the automotive centre and the farm machinery centre. It was the same story; in fact, the joke going around was that maybe they should put the centre on a railway car and let it shuffle back and forth between the two of them.

I want to tell the minister that was not a very pretty sight. It might have been politically popular or politically effective, but I really wonder what priority there was on the matter at the heart of this whole issue, the industrial future and the industrial strength of this province, when that kind of gamesmanship was going on. Is it not strange indeed, or maybe it is not, that every single one of these centres, without exception, is in a Tory riding? That is true of every one of them, despite the fact that, if I remember correctly, the Tories in the 1981 election got 25 per cent of the potential vote of this province.

The centre in Ottawa just happens to be located in Kanata, a Tory riding. Peterborough, Mississauga, Chatham—



**Hon. Mr. Walker:** What about St. Catharines?

**Mr. Sweeney:** The minister mentions St. Catharines; but it is not really in St. Catharines at all, is it? It is in the Niagara Peninsula, in what happens to be the riding of the member for Brock (Mr. Welch). We can talk about Sudbury, despite the fact that the government party has only one member up there, and, by golly, that is where it is.

The minister says that is just an accident, a coincidence, but we really have to question the minister's sincerity. As a matter of fact, one of the notable exceptions in the minister's statement today—

**Hon. Mr. Walker:** Tell me where we put the Ottawa courthouse?

**Mr. Sweeney:** That is not quite in the same category.

**Hon. Mr. Walker:** Which Liberal riding did we put the new Ottawa courthouse in?

**Mr. Sweeney:** What has that got to do with technology centres?

**Hon. Mr. Walker:** It just goes to show you how fair we are.

**Mr. Sweeney:** There is a courthouse in every county in the province. That has nothing to—

**Hon. Mr. Walker:** In every Liberal riding.

**Mr. Sweeney:** Never mind. The minister knows it is more than coincidence; it really is. He is really stretching it. He is playing political games with this issue. I have to wonder sometimes why, even on an issue like this, that is so important to the future of this province and so necessary to our economic and industrial future, the government plays partisan political games.

I really have to question why the food processing centre would not have done just as well located in Guelph, next to the agricultural college. That just happens to be a Liberal riding, so the minister would not want that. Or why the automotive centre was not located in the city of St. Catharines, which is a Liberal riding; or in the Windsor area, which is mostly Liberal; or even in Oshawa, which is a New Democratic Party riding.

**4:20 p.m.**

We could go down through the list and check them all. Why, for example, was the computer-aided design robotic centre not located in Waterloo beside the University of Waterloo, which has the best engineering and the best computer school in all Canada? Why?

**Hon. Mr. Walker:** It's halfway between McMaster University and Waterloo.

**Mr. Sweeney:** Balderdash.

**The Deputy Speaker:** Let the record show that the Deputy Speaker represents half the city of Oshawa.

**Mr. Sweeney:** Does he? Okay, we will put it in the other half then.

**Mr. Wildman:** That is an interjection from the Speaker. How did that happen?

**Mr. Sweeney:** The point remains that there is no good reason why these could not be located in other centres which would have been just as effective and in some ways perhaps even a little bit more so.

**Mr. Nixon:** Like Paris.

**Mr. Sweeney:** I do not know what the blazes we would have put in Paris. I withdraw that remark. I think Paris is well represented at present.

I was just going to observe that there was a notable exception; and I was going to point out that the member for Mississauga South (Mr. Kennedy) was here a few minutes ago but he has now gone. In several of these statements that I have with respect to these centres, reference is made to a biotechnology centre in Mississauga. What happened to it?

**Hon. Mr. Walker:** That is Allelix, located up on Dixon Road.

**Mr. Sweeney:** It is not mentioned in this, though.

**Hon. Mr. Walker:** It is a different kind of centre than these five.

**Mr. Sweeney:** Oh. I think the minister should refer to that. The one he did not mention, as a matter of fact, if I remember correctly, was one of those that was announced way back, a fairly long time ago, and it has been missed out. I believe the government has three or four members in Mississauga now. It is bound to be in one of their ridings.

I am genuinely concerned about some of the observations that were made in some of these speeches, because they reinforce the very point I am trying to make.

For example, in a speech given by John Lane in Peterborough on February 18, 1982, he talks about the advancement that the Japanese have made ahead of us. Let me just quote one paragraph and one sentence:

"The Japanese now require only 80 hours to design, assemble and market a car, while the

North American industry requires 144 hours to do the same job."

Let me go on to this one: "It is not just the wage differential that helps the Japanese. Their production system is leaner, and it is leaner because they jump in ahead."

That is from Mr. Lane. Here is another point that he makes in the same speech.

**Hon. Mr. Walker:** That is the member for Algoma-Manitoulin.

**Mr. Sweeney:** Oh, it is that John Lane. I did not know who it was. Is he the minister's parliamentary assistant?

**Hon. Mr. Walker:** Yes.

**Mr. Sweeney:** I congratulate the member for Algoma-Manitoulin. I would not knowingly have bypassed him in that way. I ask him to excuse me.

The honourable member, who is present, went on to say: "The second point, the social factor, indicates a rapidly declining percentage of the work force will actually be involved in manufacturing by the turn of the century. In 1947, 30 per cent were involved in manufacturing. Today, the figure is 21 per cent, and projections to the year 2000 range from a low of two per cent to a high of 10 per cent."

"A low of two per cent"; did the member really say that?

**Mr. Lane:** If it says so.

**Mr. Sweeney:** I do not know whether he is right or not—I do not know who wrote the speech for him; I expect it is the same guy who writes the minister's—but does he realize the horrendous implications of a labour force dropping from 30 per cent following the Second World War to two per cent by the year 2000? If we really wondered about the human and employment implications of what this is all about, then that points to it.

I talked about the juggling that takes place. I have a copy of a speech given by the member for St. Andrew-St. Patrick (Mr. Grossman), who was then the Minister of Industry and Tourism, on December 18, 1981, to the Legislature. He talked about CAD/CAM and robotics and pointed out clearly how integrated they are. He made several points. He said, for example, the mandate of the manufacturing technology centres would include:

"To provide demonstrations of advanced manufacturing systems to industry through orientation seminars for management... (prime responsibility, Cambridge; robotics responsibility, Peterborough);

"To conduct surveys of industrial plants to help identify potential applications... (prime responsibility, Cambridge; robotics responsibility, Peterborough);

"To undertake fee-for-service development projects in areas where no commercial capabilities exist (CAD/CAM responsibility, Cambridge; robotics responsibility, Peterborough)."

Three more statements like that follow. Clearly the minister was saying that in those mandates the two operations are intertwined and meshed. One has to ask for what reason, other than partisan politics, they were separated. As a matter of fact, the computer technology and the microelectronics could have been blended in at the same time as well.

Therefore, I have to ask a question. To what extent was the government taking into consideration the strategic effectiveness of keeping these things as intertwined and as meshed as possible at fewer sites than those it has now? It would have been more economically effective, more research-effective and probably more industrially effective.

That is why I spent a couple of minutes talking about spreading them over seven different Tory ridings. That is what I was trying to get at. If they need seven of them, they are going to place them where their supporters and friends are, I understand politics too, but the question I am really asking is was that the best way to do it? Is that the most effective way to do it? Is that where we are going to get the best return on our investment?

**Hon. Mr. Walker:** We were thinking of 70.

**Mr. Sweeney:** Oh, my God! I realize that is a facetious remark, but it probably would not have surprised me.

**Hon. Mr. Walker:** Even then you would have complained.

**Mr. Sweeney:** It depends on which 70 are going to be picked, although I can guess quite quickly.

I have another reference; again it is a statement by the member for St. Andrew-St. Patrick. That man did get around, did he not? As a matter of fact, I bumped into him in one of those places. He and I were on slightly different tours at that time.

This statement was made on January 19, 1982, and the point he was making was that "Canadians are not on the leading edge of either the technology or the equipment manufacturing side of this vital and expanding sector." Let us



translate "Canadians" to "Ontarians," which is what it should be.

He goes on to say: "Import penetration in the resource machinery sector is now 75 per cent of the total Canadian market. That's worth \$1.4 billion." Finally, he says: "Canadians"—and let me put in their stead, "Ontarians"—"should have responded to this situation, this opportunity, many years ago, but the opportunity was missed."

There again is the point I am trying to make. The minister should not feel any great sense of elation or strain his arm patting himself on the back for doing this now. It is good to do it now, before we fall completely, but it should have been, could have been and ought to have been done a long time ago.

**4:30 p.m.**

I made reference to the need for training associated with these centres and for their affiliation with the universities. I have a paper dated January 27, 1981, given by the Premier. I think the title is, "Building Ontario in the 'Eighties." It makes reference to the IDEA Corp. which the minister also referred to in his opening statement.

There are two references here. One, on page 27, is, "To increase the supply of skilled manpower." The second is, "To foster the interchange of staff among universities, industries and research centres."

I bring those two out because even the Premier of this province recognizes the twin need to associate this high technology research with our universities and also to associate them with training for skilled manpower.

I notice in the minister's comments today and in the comments from all these other individual papers the point was made, "You know we are still in the process of doing this." I would urge the minister then to make two other changes. One is to associate them much more closely with our research universities and the second is to build in a skilled training component.

I do not mean just for researchers. If we are going to move into these technological areas, and should, then at the same time let us build in a training component for our people, so we do not have to import people from Berlin, Paris, London, Stockholm or, God save us, one of these days from Japan as we just did in Elmira with the minister's own announcement for Sanyo.

We do not need to bring those people here to do these jobs. We do not need to import into this country and this province 20,000 to 30,000 skilled people. We need to train our own

people. We no longer can accept the economic price, the social price and the human price of so many of our people being unemployed when they could be trained for the skills that are going to be required for the very kind of technology this government and this minister is now endorsing.

I urge the minister seriously to consider that component to this because it is not there now, or if it is it is one of the best kept secrets of his government.

If we look at the food processing centre, for example, one of those statements, I cannot remember which one, makes reference to the fact that we now import \$2.3-billion worth of food. Our research has indicated at least half of that, if not more, is food that could be grown and processed in this province. Yet that has been happening for two decades, not for the last few years; for two decades that decline has been taking place.

Why did we wait so long? Why did we let our processing in particular get into that situation? I have already referred to the resource machinery centre that is going to be located in Sudbury. We have known for decades that we should have been producing that machinery and we did not. Why did we wait so long?

All we had to do was look beyond the ends of our own fingertips to know that electronics was the wave of the future. Why did we wait so long? We have known through places like the University of Waterloo and its computer centre that computers were also the wave of the future. Why did we wait so long?

Those are the questions we have to ask ourselves as well. It is good that we are moving at this time, but we are paying an awful price for our wait.

I support the legislation. I have a number of questions on particular sections of the act which I will deal with as we go over the bill clause by clause.

**Mr. Wildman:** Mr. Speaker, I want to state at the outset that, while I have great respect for the minister, I emphasize I am most disappointed with the compendium of information that was provided. I recognize a compendium was provided, but only the speeches of this minister and his predecessor announcing the various technological centres and the announcement of the BILD program were in it.

My colleague from the Liberal Party has gone on at great length about what he perceives to be the partisan political aspects of the location of the various technological centres. Our party is

less concerned about location and more concerned about what these centres will do, what their mandates will be and how they will achieve their goals.

With respect, the compendium does not in any way make that clear. The ministry itself is unsure, or at least has not yet completed the determination of the various mandates of the centres involved.

**Hon. Mr. Walker:** That is correct.

**Mr. Wildman:** If that is the case, and the minister confirms it, it is very difficult to deal with this bill.

**Hon. Mr. Walker:** That's what the five-year plan does.

**Mr. Wildman:** Right, a five-year plan; it is ironic that this minister with his ideological bent discusses five-year plans.

It is rather difficult for those people who support this legislation, or are critical of it, to deal in any comprehensive way with something that is not yet developed. In essence, what we are asked to do is to approve the formation of a number of centres which then will develop mandates and have them reported on by the minister to the House.

I suppose it makes for an interesting debate. We could be talking about all kinds of things because we do not know whether the things we are discussing will actually be mandated or not. It is also interesting that we are discussing the bill to provide for these particular technological centres prior to the second reading of the bill that will establish the ministry which is responsible for these centres. It is a rather ironic situation—

**Hon. Mr. Walker:** You know the answer to that one.

**Mr. Wildman:** I certainly know the answer to that. I believe the policy of this government with regard to development of an industrial strategy and the provision of jobs which, as the minister has said is his main role: jobs, jobs, jobs—he should have continued saying it six more times and then he would have said it once for each job he provided in Elmira.

At any rate, the position of this party is well known with regard to the serious economic problems we face in Ontario and Canada because of the de-industrialization that has taken place through the 1970s and before.

It is somewhat ironic that my colleague the critic for the Liberal Party said so often during his presentation: "Why so late? Why not earlier?" With respect, he would probably agree with

me those questions could be directed to his colleagues in Ottawa as well as to this minister.

It is also interesting that in neither the minister's comments nor in the comments of my colleague the member for Kitchener-Wilmot (Mr. Sweeney) was the fact of our branch plant economy even alluded to.

**4:40 p.m.**

When innovation and technology in this province and in the industries of this province has been talked of, it has been well established that the branch-plant, truncated nature of our industrial sector is one of the main factors for the small amount of research and development that has gone on in our industry. It is very difficult to discuss that very serious situation of de-industrialization without talking about the branch-plant economy and the role of the multinationals in it.

I can understand why neither of the previous speakers wanted to talk about this aspect of our economic problems, since the minister has made it quite clear, as his predecessor and the other members of his government have, that they view increased foreign investment as an integral part of their so-called industrial strategy.

I have said before that in our view this approach is self-defeating. One of the reasons we have had such unproductive management in our economy is the branch-plant nature of our industrial sector; therefore, this government is carrying out a self-defeating policy. And this is shown when one compares, for instance, the steel industry with other sectors of our economy. Steel is Canadian owned, and we have seen the innovation that has taken place in Canadian-owned industry as opposed to Canadian parts of foreign-owned industries, such as the auto industry. I will deal with that matter at length later.

I suppose it is also natural that the Liberal critic would not deal with this, coming as he does from the other governing party, which has just announced a new budget that again accepts the arguments made by this governing party with regard to foreign ownership. Probably the Liberals have not gone as far as the minister would have liked to see them go with the Foreign Investment Review Agency; probably they have not weakened FIRA as much as he would like in view of his comments to the effect that we should streamline FIRA because of the need to encourage more American and other foreign investment. Obviously the Liberals did not restrict the categories with which FIRA is



involved; they simply raised the base limits for exemptions.

But when both governing parties have more foreign ownership as an integral part of their so-called industrial strategies it is not surprising that neither of them wants to deal with it when dealing with the need for innovation, research and development, and the development of new technology. For that reason we have before us a bill that deals with this problem but ignores one of its basic causes.

What is the problem? I said we have had de-industrialization during the 1970s and before. We know that manufacturing as a percentage of total employment in 1971 was 27.3 per cent; by the end of the 1970s it had dropped to 25.2 per cent. In the key industries of machinery and electrical products we had lost 4,400 and 3,500 jobs, respectively, in the five-year period between 1975 and 1980.

Both in Canada and in this province we suffer from very high import levels of manufactured goods. One third of all of the manufactured goods sold in Canada are imported, which in 1979 created a trade deficit in manufactured goods of \$17 billion. Of all of the industrialized nations, Canada imports more of its manufactured goods. In some ways, our trade pattern in terms of raw materials as opposed to manufactured goods has more in common with the Third World than it does with the industrialized world.

This trade deficit is primarily in the technology groups. What is tragic about that is that many of the goods that make up that trade deficit could be produced in this country and in this province. Certainly that is true in terms of manufactured machinery and the processed food industries. Because of the very serious import penetration in those sectors, we calculate there have been 350,000 jobs lost in this country. And as we all know, as this province has been the industrial heartland of the country, most of those jobs could have been developed in this province.

Today in this province we have the highest unemployment rate since the Great Depression. As I alluded earlier, when this minister was appointed he said in response that he saw his main role as jobs, jobs, jobs; the creation of employment in this province. Yet the only major statement made by the minister since he took that position was a long-winded statement about a Sanyo plant. He ended having to admit it was only going to provide nine jobs, eight of

them for noncitizens. I suppose the security guard will be the Canadian.

To be fair, we are told that the number of jobs in that plant will triple in three years.

**Mr. McClellan:** That will be three jobs.

**Mr. Wildman:** Triple; that is a tremendous record. There would not have been derision in this House about that statement if the minister had just risen and said he was very happy to announce that Sanyo, a Japanese firm, for the first time had decided to establish a plant in this province and it would be located at Elmira, and just sat down. Nobody would have made fun of it. We might have asked him how many jobs, of course.

If he had made it such a simple statement, even if there were not very many jobs, I suppose it is something that would be important to a small town like Elmira. Instead, the minister got up and made a long speech about how this indicated the Japanese people and industrialists had seen Ontario as the province of opportunity as this project as the beginning of a new development in relationships between Japan and this country, and how Ontario was the gateway to the American market for Japanese goods.

When we heard him making that statement, and until we had read far enough ahead in his printed statement, all the members on this side believed that he was talking about something like 1,000 jobs. He made such a fuss about it; nine jobs. Obviously, this is not the kind of industrial strategy we talk about when we discuss it.

**4:50 p.m.**

I suppose this minister is encouraging more foreign investment in the economy, but when he does get foreign investment it does not even provide jobs for citizens of this province. When he made that statement, we calculated he lowered the unemployment rate in this province by 0.0000002 per cent. But we overcalculated it because at that time we thought the nine jobs would be for people in this province, instead of just one job.

When we look at the relationship of foreign investment to the need for technological innovation in our economy, we are horrified to realize that in the 1979 Foreign Investment Review Agency report, it was shown that the greatest number of takeovers took place in the high technology sectors of our economy.

The Liberals and Conservatives have lost control of our economy. We have become so dependent on the United States that in the last

couple of years we have had to go along with this incredible interest rate spiral. The federal Minister of Finance makes a budget statement that is supposed to turn the economy around and set it in a new direction, and reconfirms that high interest rate policy. It indicates the defencelessness of Canada and Ontario and how little control we have of our economy.

Will this piece of legislation turn that around? Will the changes to FIRA advocated by this minister, and in some ways accepted by the Minister of Finance in Ottawa, turn that around or will they simply continue the ebb of our industrialization?

It is quite true that we should have been moving much sooner than we are doing in providing jobs in the industrial sector through the development of new technology. Jobs that could have been created in the 1960s now have to be won in the very difficult economic climate of the 1980s.

In our view, there are a number of choices for governments in this situation. The first choice relates to the discussions that have gone on about FIRA, that is, further integration into a continental economy. I believe this is in line with the attitudes of the minister. I think he sees the future of our economy as being an industrial gateway to the American market.

There is no question foreign investment can provide short-term employment in this province and it can neutralize the actions of branch plants that have led to the shutdown of so many profitable as well as unprofitable plants in our province over the last few years. In other words, we will be replacing some of the thousands of jobs that have been lost in this province as a result of the heavy concentration of foreign ownership in our industrial economy. However, that does not deal with the long-term structural problems that have led to those very shutdowns and layoffs.

To be fair, I should say the Tories in Ontario have recognized the problem. This bill is an example of an attempt by the Conservative government to speak about the serious difficulties in our economy that are related to the lack of research and development, the lack of technological innovation and the dependence on imports of manufactured goods, which are a result of the branch-plant nature of our economy.

Mr. Speaker, the Conservatives are unable or unwilling to challenge the transnational corporations. They talk about technological development and the need for technological innova-

tion, but they do not talk about import replacement. They do not talk about direct positive investment to promote new technologies and new development and production in this province. This government responds in a piecemeal manner.

We have seen other approaches it has used in the past. It gives grants to the corporations without taking equity or obtaining job guarantees. It gives loan guarantees to stumbling industrial giants, again without equity and without job guarantees. It gives tax incentives to promote R and D and then admits afterwards that the tax incentive route does not work; but it has no other ideas so it continues tax incentives and asks Ottawa to increase them.

The minister's predecessor made a great to-do about global product mandating. I have not heard this minister talk as much about global product mandating. The Tories do not talk about import replacement in the domestic market, which in our view is the first step, an imperative first step, towards becoming competitive on a world scale. They do talk about the problems. That is what the whole BILD program was: a lot of talk, a lot of show and a few grants, the development of a few institutions that would respond to the concerns people had about the de-industrialization of our economy in a political way. The question is: is it going to have any real economic results?

In our view, the government must take a direct, positive and active role in the economy in determining the key sectors. I believe this government does deal with those sectors in its piecemeal way. Rather than following the approach it takes, we believe the government must become involved in providing direct investment in a way that will deal with import replacement in those areas where we have the greatest potential for it.

We should be promoting the linkages that, largely because of the domination of the multinationals, have been missing between our resource economy and the need for machinery. There should be both forward and backward linkages so that we can become competitive and the products we are now importing can be produced here. Obviously, the major component in becoming competitive is the new technology that is required. We have been very far behind in developing new methods, advanced processes, new materials and new designs. We have lost jobs because we have imported technology, not new technology for the most part. The level of



research and development in this country is approximately the same as that of Turkey.

5 p.m.

The areas dealt with in this bill are areas of major importance to the economy. The automobile industry is responsible for one in six jobs in Ontario, or at least it was. The food processing and beverage sector of the economy is responsible for 10 per cent of our labour force; and because of the concentration in control, largely by Del Monte, since the 1950s we have lost about 6,000 potential jobs in that sector in this province.

The machinery industry employs about 70,000 people in this province, which sounds very high. But when one considers the large numbers of imports in that area we can calculate that we have lost about 45,000 jobs which could have been developed in this province but have been developed elsewhere because of our imports. In 1978, we imported 73 per cent of our mining machinery, and, as the minister himself has acknowledged, we are one of the largest importers of mining machinery in the world.

What are these centres going to do? How are they going to resolve these problems? Or are they, indeed, intended to resolve these problems? The description of these centres given by the minister does not lead me to believe that he sees them as the major instruments for redirecting investment in our economy in those sectors.

The New Democratic Party has advocated direct investment through crown corporations, direct public investment in the very sectors that are dealt with in this bill, not the very restricted view that appears from the vague descriptions of the mandates that are going to be developed which this government wants.

We believe we should be using a number of possible methods of directing investment in these areas. We could be using equity participation in projects, joint ventures with the private sector, contractual agreements with the private sector and even loans to the private sector. But we do not know what the roles of these various technology centres are going to be in that regard.

This government talks about wanting to bargain with the multinationals. It appears that this government wants not to create wealth directly or even to develop windows on the industries, but rather to somehow bring the industries together with academia to try to determine possible markets for some industries, to bring machinery producers together with resource industries and so on to try to interest them in

developing certain areas; but we do not have any indication that this government is going to be actively developing them itself in conjunction with the private sector.

In our view, this bill does respond to some of the very serious areas of concern that we have expressed over the years, but these technology centres are just halfway measures, if they go even that far. The minister has told us he is going to be spending \$126.5 million on these centres during the next five years, but we do not have any indication of how many jobs that expenditure is going to produce, either directly in the centres or through the development of the technologies in the various industries that he is discussing.

I want to allude to one example, the resource machinery centre in Sudbury. That centre is going to be, I believe, a total of 10,000 square feet in size. It is located by a tourist trap called the Sudbury Science Centre. That is what it is; the Sudbury Science Centre is not an ongoing scientific research centre but a tourist operation.

The resource machinery centre is not, as I understand it, going to employ any scientists. What is it going to do? What is it going to produce? Obviously, there has been the indication from Inco and others that they are interested in co-operating. Mr. Jarvis has been involved. He has indicated he has some ideas of what he wants to develop. There have been indications that Laurentian University may be involved, and so on; but we do not know and the size of the operation does not indicate, that, what we think is necessary is going to take place.

We have a tremendous potential—the minister himself admits it—to produce jobs by producing the large amounts of now imported machinery that is used by Inco, Falconbridge, Denison, Rio Algom and all the other mining companies in northern Ontario. But is this kind of centre going to produce it, or even develop the corporations that will produce it?

The minister nods; yes it will. I wish he would tell us how. By that I do not mean I do not think that is going to happen; I just do not know.

When one looks at the other technology centres that are proposed in the bill, it seems to me that some of them are even smaller in conception than the resource machinery manufacturing centre.

My colleague the member for York South (Mr. MacDonald) is going to be talking on the food processing and agricultural machinery centre.

**Mr. Nixon:** We will have to come back after supper for that.

**Mr. Kennedy:** Is that how long you are going to speak?

**Mr. Wildman:** There seems to be some argument about how long we are going to be here, Mr. Speaker. I realize that we are going home for a holiday weekend and we want to finish off as early as possible.

**Mr. Nixon:** It is only 5:10 p.m. so the member is all right.

**Mr. Wildman:** I have almost completed my comments, but I would like to know if, in the food processing centre, this ministry is going to actually produce the kind of thing the new Deputy Minister of Agriculture and Food indicated was necessary if we were going to start producing jobs in the food processing sector in Ontario.

The most alarming thing for us in the minister's comments about the technology centres in the last few weeks is his statement that when and if these centres become going concerns, when they are no longer dependent on the government for startup funding or for the 50 per cent funding that he envisages later on, when they are producing and self-sustaining, he intends they will be privatized. It is stated in the bill that the ongoing mandate will be reviewed.

Obviously, we again have the minister, who is stuck with his ideological blinders, believing that anything that makes money should be in the private sector and, I suppose, anything that loses money should be in the public sector.

**5:10 p.m.**

**Hon. Mr. Walker:** Is it not your view that anything that is losing money should be nationalized?

**Mr. Wildman:** No, that is the way Liberal and Tory governments have operated in the past. We have seen that people who are really interested in producing wealth are interested in the winners, to use the Treasurer's phrase, rather than the losers.

I would like to know exactly what the minister means by privatization. When I asked the question in the House, he said he was talking about control of the technology centres, not necessarily ownership. At least I think that is what he said. Could he please explain what he means?

Obviously, we are opposed to socializing the costs through the development of technology centres which, when they become active and productive and start to make money for the

people of this province who have invested in them, are turned over to the private sector.

The minister said in his statement he was interested in startup activities. He said, "The plans will serve as a blueprint for the incoming management and ensure that the centre will start immediately once it is formally established." That is what we are asked to vote on here. We do not know what the mandates are; they have not been developed. Everything is vague. We cannot very well vote against this thing, but we do not really know what we are voting for.

**Mr. Kennedy:** Read it.

**Mr. Wildman:** Read it? I read it along with the minister as he read it and there are not even nine jobs at the end of it.

**Mr. Kennedy:** More like nine million.

**Mr. Wildman:** Nine million jobs; I suppose it is so vague one could read nine million jobs into it. It is a little unrealistic but I suppose one could read anything into it.

Our caucus will be supporting this legislation but we are highly critical of it. We do not think it goes nearly far enough. It is another example of how Liberals and Tories, at both levels of government, have a lot of rhetoric about the development of our economy, but continue their dependence not only on the private sector and the multinationals but on the United States to solve our economic problems.

**Mr. Kennedy:** Mr. Speaker, I wish to comment briefly in support of the bill. I was outside when I heard the member for Kitchener-Wilmot make some reference to remarks I had made earlier in response to the throne speech debate. I believe the minister responded that those remarks were in support of the establishment of a trades training centre to turn out skilled tradesmen and retrain people, rather than the research and development which this bill promotes.

The object of the bill is set out in section 9 where it gives the objective of each centre. There it is. "To promote and enhance the application of technology in order to improve the productivity and competitiveness of Ontario industry and commerce." I suggest this is one of the areas which we do need to address because we are in a fiercely competitive world situation with respect to technological production. I believe this bill addresses that problem by the establishment of these centres.

The member for Kitchener-Wilmot was somewhat concerned as to the location of these



centres. I do not think that is too vital. I think it is a good idea to disperse these centres across the province. That will enhance the balance of employment and the dispersal of technical people across the province. I cannot see any great hangup about that.

I am wondering about a couple of points. The first is the relationship between these institutes, or centres as they are called in the bill, and the producing and operating factories across the province, just what the tie-in—

**Mr. Wildman:** Right on, that is what I said.

**Mr. Kennedy:** I was listening to the member's speech, I know that.

I presume there will be a relationship, a co-operative effort, a joint effort if you like, with one supporting the other and leading to this balance, to this competitiveness we must face up to. They will work together to the betterment of the employment situation across the province. That only makes sense.

The other point I thought I would inquire about is whether there is any thought that there might be contract research undertaken, somewhat similar to that undertaken by the Ontario Research Foundation at the present time, whether there would be revenues coming to these centres through work such as that or whether it is a general public effort with public financing to develop these ideas. The spinoff, or the bottom line of where the profitability comes, turns up at the end of the line when we turn out products that do have an attraction to the marketplace and enhance not only our own domestic production but also our exports.

I was interested in one sentence of the member for Algoma. He wondered whether the centres would have any real economic results. I underline the word "real." I suggest to him and to this House that is exactly what these centres will have. They will have real economic results, because they will be establishing meaningful productivity by virtue of the work they do, rather than having government grants and handouts to try to compete, perhaps repeating or instituting production on the basis of something we already know. I suggest that very strongly, as I interpret the bill, and I support the idea that actions such as this will lead to real economic results, as we go towards the end of this century and into the 21st century.

It is through actions like this that we are going to maintain our competitive position in world markets. So I rise with enthusiasm to support this bill. I am very interested in it and interested in knowing that we will tie this together with the

production of skilled workers, which has been a problem that is being addressed with considerable vigour by the Ministry of Education, the Ministry of Labour and the Ministry of Industry and Trade, which is sponsoring this bill. I strongly support the bill.

**Mr. Newman:** Mr. Speaker, I rise to make a few comments on Bill 124, An Act to establish Technology Centres. At the outset, I would like to state that I will support the bill. I think it is a step in the right direction, if only a small step. I would like to inform the minister that originally the technical schools in the province were set up to take care of something similar to what he is doing here, and they did not work out in the fashion originally intended.

**5:20 p.m.**

I think this bill is a good bill. There could be some improvements in it, and it is likely that amendments will be presented by members on this side of the House.

One of the things I am disturbed about is the location of the various centres. In deciding the location, the government should have taken into consideration whether there are the educational facilities in that centre that are required to produce the necessary skilled personnel, or the academic, scientific and technological expertise and so forth.

I understand that the centres are located geographically, but one would also think that in placing a centre, one would consider the index of unemployment, the types of employment in the centre and the types of job skills required in the centre.

Centres will be located in Ottawa, Cambridge, Peterborough, St. Catharines and Chatham. There is not one of them that I would say does not deserve the centre, but the city in Ontario that put us on wheels originally is the city I come from, Windsor. Had it not been for Windsor, we would probably still be in a carriage behind a horse.

We have a university, and we have a community college; so we have two of the requisites. We have the skills from the various skill-developing shops and industries in the community. In addition, we have extremely high unemployment. One would have thought the government would have considered all this and placed a centre in my community. The minister possibly will say that Chatham is more centrally located; but when one considers population, one would have to take Windsor rather than Chatham.

Further, we are directly across the river from what is probably the fourth largest city in the United States, the city of Detroit, and within 24 hours of more than 50 million people in the midwestern United States. So we would have a catchment basin that would include well over 50 million Americans to whom we could sell the products developed in the technological centres.

In locating a centre, I think it is incumbent upon the government to consider the index of unemployment, especially when the unemployed work force has many of the skills that would fit perfectly in the development of the new types of tools, the new types of machinery, the automation and the miscellaneous procedures and equipment that would be developed by the centres.

The industrial promotion commissioner in the city of Windsor, I understand, made an excellent presentation to the ministry at one of the meetings in which a series of municipalities were vying for these technology centres. Only flattering comments came from the government; but, in spite of that, the ministry or the government made the political decision to locate the centre in Chatham instead of in Windsor.

When one sees that the five centres will be located in Ottawa, Cambridge, Peterborough, St. Catharines and Chatham, it makes one suspicious when all these centres are essentially represented by members of the government party. I do not like to say that, but I would like to hope that we, in my community, would always get our fair share from the government, even though we might not necessarily support the government when it comes to political decisions.

In this instance, the ministry did not play fair ball with my community. The ministry knew well in advance that it was going to develop technology centres, yet there was no preparation through the educational system. Because of that, the minister is going to find a lot of serious problems developing.

I want to read an article in the Detroit Free Press, dated January 22, 1982, and written by a Washington staff writer for the Detroit Free Press, a gentleman by the name of Carl M. Cannon. Wherever the article mentions the United States, we can automatically just put in Canada or Ontario where it fits.

"The Labour department is producing brochures advising high school vocational students of job opportunities as welders, spray painters and machinists, even though the industry is

increasingly using robots for such tasks." It is almost the same here.

"By the 1990s, when today's high school vocational students are in their late 20s, wanting to start families and buy homes, robots probably will have claimed millions of those manufacturing jobs.

"Officials in the Labour department's occupational outlook division"—they apparently have a division that attempts to foresee manpower needs—"say they are familiar with the one definitive study about robotics but downplay its importance." Imagine them downplaying the importance of robotics.

"The study predicts that in the next decade two million American workers could be displaced by robots and that the number might double in 20 years." Proportionately, it would be the same in Canada.

"This study, done at Carnegie-Mellon University in Pittsburgh, predicts that the greatest loss of jobs will occur in California and the industrial Great Lakes states.

"Yet the federal government continues to encourage preparation for jobs already destined for extinction." It is the same thing here.

"That is one of the biggest frustrations," said Paul von Jankowsky, administrator of the Robot Institute of America, a trade association based in Dearborn. "We think, 'C'mon, you guys. Come out with stuff a little more up to date.'"

When talking about what we now have being developed, it is not even up to date as far as the robotics are concerned.

"A UAW official, Thomas Weekley, agrees. 'The government has no policy for the future,' he said. 'The government has no program, no plan, to prepare people for the new jobs.'" We are like that right here in Ontario.

"Wendell Larsen, a Chrysler vice-president, added, 'I doubt that anyone in government in this country is planning for the social implications of robotics. This administration doesn't believe in national planning. Its attitude is, 'Free enterprise forever, and the devil take the hindmost.'"

"Carnegie-Mellon researchers concluded that no one, Chrysler included, is preparing for what might be the most important labour issue of the future.

"Since private industry, the Department of Labour, public education and nonprofit institutions have all taken some responsibility for training and retraining (displaced workers) in the past, it is curious why very few of these



entities are pushing forward, preparing for the increased use of robots,' the study said.

"In January, Labour Secretary Raymond Donovan, borrowing from the Carnegie-Mellon study, predicted that by 1990 half of US factory workers will be specialists who maintain and repair robots. His remarks attracted little attention and, within his own agency, brought no discernible change in attitude.

"Neal Rosenthal, chief of the occupational outlook division, downplayed the Carnegie-Mellon study. He said the agency has never discussed robotics or its social implications in any of the brochures for vocational workers. The first robotics article still is in draft form, he said.

"Rosenthal added that he knows of no government agency that has studied the effects robotics will have on workers.

"It will take time before robotics has an effect on large numbers of workers,' said Rosenthal. 'Even if it affects five million people, it's a small percentage of the total work force.

"Basic manufacturing is only 20 per cent of total employment, and (robotics involves) a small percentage of that. You don't automate the managers.'

"But industry and labour officials and those involved in robotics say such attitudes reflect a lack of understanding.

"Steve Beckman, a Washington bargaining official with the AFL-CIO, said robots 'have the potential to be devastating to workers, yet there has been very little study about what the effects would be about having that kind of system. Where would people move? Where would the jobs be? Who would retrain? These are all important social issues that no one has even discussed,' Beckman said.

"Robotics is a wave that is coming upon us rapidly,' said Chrysler's Larsen.

"The auto industry has nearly half of the 4,700 robots now used in America. General Motors, with 1,200, has more than any other firm. Chrysler has 240 robots in its assembly plants and expects to have 350 by next year.

"It's one of our biggest issues right now,' said Larsen.

"While the US government is saying robotics won't happen quickly, the Japanese government is assisting its corporations in rapidly converting their plants to robotics technology.

"Japan has about 14,250 robots, three times as many as the United States.

"Many of these robots are produced with US technology. Unimation Inc., the Connecticut-

based firm that is the largest of the American robot manufacturers, has a licence to import robots in conjunction with Kawasaki, a huge Japanese concern.

"In a short period of time, they (the Japanese) have taken hold of that technology and have pursued implementing it more aggressively than the United States,' said Steven Miller, one of the Carnegie-Mellon researchers.

"Miller added, 'The greater benefit of robotics is that it makes our factories more adaptable. It allows them to respond more quickly to changes in the marketplace and continuously innovate and make new products.'"

Mr. Speaker, I could continue at some length concerning this piece of legislation but, since I am limited on time, I will say that I support the bill and that I hope the minister will reconsider the decision for the next robotics centre, or the next centre of high technology, and place it in the community of Windsor.

**Mr. MacDonald:** Mr. Speaker, the general case for this bill has been put by the minister, and general criticism of it has been made by the member for Kitchener-Wilmot (Mr. Sweeney) and by the member for Algoma (Mr. Wildman). I do not intend to repeat any of that general assessment of the situation. I want to focus rather sharply on one technological centre, namely, for farm equipment and food processing.

The use of emerging technology is the key to the future. That is almost a motherhood statement; it is repeated so often these days that one wonders why more has not been done up to this point to implement it.

When I focus on this one technological centre, which has been established in Chatham, I have a particular concern because I have difficulty in figuring out how we are going to avoid rather serious duplication. I do not know where research ends and technological development begins. I suspect there is a significant overlap.

We all know that in the agriculture and food field, particularly in the agricultural field, there has been a significant amount of research down through the years. Indeed, I think for the past decade or so the criticism has been that we have focused all our research on how to produce more food, on how to make two blades of grass grow where one grew before, and not enough on marketing to be able to get that produce to the appropriate market for the appropriate price once it has been produced.

I will not go into excessive detail, but I remind

the members that every year the Agricultural Research Institute of Ontario produces a report. It is a body that presumably co-ordinates to some degree and perhaps adds to the research that goes on at Guelph, at the economics branch, at the Horticultural Research Institute of Ontario, and at the colleges of agricultural technology at Ridgetown, Centralia, Kemptville and New Liskeard.

I am surprised that the institute's latest report is pretty thin. For years it used to be half an inch or three quarters of an inch thick.

It says in the introduction, "The Agricultural Research Institute of Ontario was established in 1962 to inquire into current programs of research and to recommend areas of research that should receive priority." I notice in the estimates this year that in the Agriculture and Food field there is \$21.2 million in the education, research and technical services contract with the University of Guelph.

We are aware of all the work of Dr. Rennie, who has been heading up research work in that ministry for quite some time. We know that on some occasions research work has been allocated out and has been handled by the Ontario Research Foundation at Sheridan Park.

We have the Agricultural Research Institute of Ontario, the Ontario Ministry of Agriculture and Food and the Ontario Research Foundation where a significant degree of research has been going on. When the government is going to set up a technological centre, what will be the relationship with the research that has gone on for years and to what extent will there be an overlap? This is of particular importance as far as I am concerned.

I want to draw attention to the fact that the research centre in Chatham is sharply focused on farm equipment and food processing technology. That is not a broad field. When the minister went down there to cut the ribbon or turn the sod or whatever he did to launch that project under the kind and benign eye of the local Conservative member, he noted he was there to make an important BILD announcement.

I have some suspicion about BILD announcements. There is a lot of window dressing and repetition of what has gone before; there is a lot of recycling. Frankly, with this particular technological centre, I am even more concerned.

We have talked for years in the Agriculture and Food estimates and in farm circles about what this government has done or, more important, what it has not done, on the necessary

research with regard to farm equipment. This government and this province have tended to coast on the work done by the prairie provinces, which have had testing and through their testing they have had correction and guidelines for development of farm machinery. We have done very little of that.

**5:40 p.m.**

I know we have a board and an individual out in Guelph who heads up the board and receives complaints. If the complaint is one in which some arm-twisting can be done with the ministry, such as when a farmer has been sold a lemon or piece of equipment that did not live up to the prescriptions that were given to it in its advertising, some measure of compensation has been given. It has all been very piecemeal and not very adequate. There has been nothing of the kind of intensive research and testing that would be of assistance to development as has been done in western Canada. We have been able to coast on what they did in western Canada to some extent, but in some instances we found ourselves in difficulties because conditions in Ontario are different from what they are in western Canada.

I trust we are finally going to use this farm equipment and food processing technology centre down in Chatham to tackle this problem. I am only hoping because, as my friend the member for Algoma has said, we do not know exactly what is in this bill. Section 9, which spells out the terms of reference for each one of the centres, is rather general. One can fit anything into it in future years. I am hoping that we will finally get around to doing what this province should have done a long time ago with regard to farm equipment.

When the minister was down there he cited, as an example, the encouragement that can be given new products, and increased incentives for farmers to produce. He cited peanuts and strawberries as crops where with the appropriate kind of marketing machinery and food processing machinery one could have a new crop that would be an added incentive for farmers to increase production in Ontario. All of that could have been done a long time ago.

Let me move to the second item which is the food processing aspect of it. I am a little intrigued. My friend the member for Huron-Middlesex (Mr. Riddell) remembers that during the Ministry of Agriculture and Food estimates, I and a number of other members really zeroed in on the deputy minister and said: "What are you doing with regard to the Board of Industrial



Leadership and Development in an effort to establish some rebuilding of the food processing industry in Ontario?"

May I remind members that in the last two decades this government, for practical purposes, has sat idly aside while one half—1,369—of the food processing establishments in the province have disappeared. Some of them were small, I acknowledge that. Those delightful home bakery establishments that one found in every village and every town have been replaced by the great mass production of that gooey bread that is trucked out in monstrous trucks from some factory and delivered all over the place.

A lot of them were the cream factories and so on. A lot of them were small but many of them were big. The 37 food processing plants that were bought by Del Monte when they bought out Canadian Cannerys have been reduced to five or six. We sat on the sidelines and we have watched the destruction, the gradual dismantling of a very extensive and important food processing industry in the province.

We pressured the deputy minister—who, may I remind the House, used to be the head of BILD; he created the program. He was one of the great architects behind this whole effort that was such a centrepiece in the government's last election campaign. We said to him: "What is being done? Is the minister sitting there and waiting for people to come in with proposals?" For the most part one suspected that was the case. He said, "No, we will also go out and seek the prospect of people who are willing to enter into joint ventures. We will seek others who might be willing to do something by way of rebuilding."

Indeed, there was that inimitable occasion when my honourable friend the member for Haldimand-Norfolk (Mr. G. I. Miller) inquired as to why he could not get a little tomato paste establishment in this area to encourage the growth of tomatoes. The minister, in a very vehement way, indicated that what we needed was a big establishment, something that could compete with the multinationals, and what we needed was to get a co-operative or even some public enterprise to move in.

We know what happened. They went down and engaged—the minister admitted this—in a fair amount of arm-twisting and the handout of a grant of \$3 million or \$4 million to Heinz in Leamington, in order to get the tomato paste factory established there.

What is going to be done at the technology centre in Chatham that is not being done in the

Ministry of Agriculture and Food? Is OMAF going to back out of this field altogether and leave the technological centre to do most of the background research? Where do the duplication and overlap begin and where do they end? I have some concerns about this. We have here an area in which there can be excessive duplication because of the gradations between research and technological development, between all the research work that is going on, in all the areas I indicated earlier, and all the work OMAF has presumably been doing on rebuilding the food processing industry. It now has some tens of millions of dollars and has had a general allocation of \$100 million of the \$400 million that was available for resource development. Agriculture was thrown in with minerals in the ground and with trees up north as an area for resource development.

I repeat that nobody can object in principle to the proposition of technological centres, but the government is late. It is not only late, as has been pointed out by previous speakers, but in this instance it is picking up on the area of farm equipment, which has been grossly neglected for years by this government. One wonders whether there will really be a new and important chapter in that area. It is picking up after even more outrageous neglect in the food processing field, because the government sat idly by while the whole food processing industry, or half of it, to be more accurate, was dismantled in terms of actual numbers of establishments.

If, in this centre, we are going to have now a recycling and a more effective tackling of these important areas, and if in the process we avoid duplication and the waste of public moneys, it will be a step in the right direction, but it will have to be watched carefully because there are serious dangers in the process.

**Mr. Bradley:** Mr. Speaker, I indicated that in the interests of time I would make a very brief contribution to the debate this afternoon. I simply want to draw to the attention of the Minister of Industry and Trade the fact that on March 4, at the Parkway Inn, sometimes known as Tory headquarters, an announcement was made about the automotive parts technology centre to be located in the St. Catharines area; in fact, in the town of Niagara-on-the-Lake, but adjacent to St. Catharines and near the General Motors plant, near the racetrack that is now closed down, and on land which I believe was donated by the regional municipality of Niagara in an attempt to lure the technology centre to that location.



As I indicated, there was a good deal of fanfare on that occasion, a lot of hopes were raised, and in discussing an earlier bill I expressed my pleasure that the minister and his government had accepted one of the suggestions of the official opposition, the Ontario Liberal Party, and established an automotive parts technology centre, which I think many people in all parties were in favour of.

My question to the minister this afternoon, or my admonition, is that he should proceed with dispatch to establish this centre, that we should have a clear indication it is on line and will be in full operation, not just with the initial five employees, before the time anticipated by the announcement itself. We recognize its importance, not as a direct job creation activity in the peninsula, although it will be good for those who are specifically geared towards the area of research, but, most particularly, for the help it can provide to the automotive parts technology centre in competing with the offshore suppliers. It can make us a viable industry, or continue to be a viable industry, in North America.

I think we have to move very quickly in this regard. The competition is getting stiffer all the time. We cannot continue to hide behind protection if we are inefficient, and we will be inefficient unless we are prepared to move forward as quickly as other nations in the field of automotive technology.

5:50 p.m.

I urge the minister to proceed with dispatch in establishing the centre. I hope that in the few minutes he has for a reply he will indicate the progress that has been made to this point, and the specific plans for movement in the establishment and completion of the automotive parts technology centre in the Niagara Peninsula.

**Hon. Mr. Walker:** Mr. Speaker, the members have made some significant contributions, and all members have indicated support of the tech centre bill which has been submitted. Many have put forward submissions and considerations which will be reviewed by us in the ministry. I am cognizant of the fact that one or two of the members have departed because of the lateness of the hour and it would be unfair, I think, to review in detail their specific comments.

However, the member for Kitchener-Wilmot is here. He commented on the human dimensions question. That, undoubtedly, is to be considered seriously in connection with robot-

ics. We appreciate the concern one might have for the displacements which may be caused by new technologies. I think his observations were two-pronged, one being the displacement of people.

The member for Windsor-Walkerville also made comments along that line. Displacement is a serious consideration, and there will be labour components to those boards that are particularly and directly involved with microelectronics, with robotics and with computer-assisted design in the auto parts area. So we will have the kind of involvement that I think will allow us to take those into consideration. The mandate is very much a part of that; it will be a mandate of the groups.

Many members referred to the locations. We can talk about locations and say that one is better than another, but that would probably not lead us down a very successful trail. I would not want to cast any aspersions on any of the communities that supported and put forward bids for these proposals. Many of them are extremely good. I thought of my own community. While it did not put forward a formal submission, it was anxious to have a centre, but it did not get one.

One cannot put six centres across 125 ridings in this province, nor across the 900 municipalities. They have to go somewhere, but each centre is capable of being used throughout the province. So what is invented and conceived in Chatham, a centre of agricultural technology, will be applicable in Hastings county as much as it is in Kent county. We can have total transfer there.

Members will appreciate the significance of the comments that were made. I certainly do. But we have tried to locate the centres as best we could. I think we have related them very closely to the industry they are connected with: Ottawa, in microelectronics and Chatham, which is an agricultural centre. Of course there are many places they could have gone. They could have gone to Cambridge because of its relationship with computer-aided design and computer-aided manufacturing at McMaster University, and in many other areas as well.

Members have put forward a number of significant thoughts here. I will take all of those into consideration in moving second reading.

As to going into committee of the whole House, I have only one amendment to make. It relates to the annual report, and I would be



prepared to do it very quickly if members would concede to that.

Motion agreed to.

Ordered for committee of the whole House.  
House in committee of the whole.

### TECHNOLOGY CENTRES ACT

Consideration of Bill 124, An Act to establish Technology Centres.

**Hon. Mr. Walker:** Mr. Chairman, allow me to give the intent of the amendments that I propose for this. One will be an amendment to section 14 of the bill.

Sections 1 to 13, inclusive, agreed to.

On section 14:

**The Deputy Chairman:** Mr. Walker moves that section 14 of the bill as printed be amended by striking out "by the Provincial Auditor" in the second line.

**Hon. Mr. Walker:** My reason for doing this is to allow each of the individual establishments to retain their own auditors.

Motion agreed to.

Section 14, as amended, agreed to.

**The Deputy Chairman:** Mr. Walker moves that the bill be amended by renumbering sections 14 to 17 as sections 15 to 18 and by adding thereto the following section:

"14. The minister shall, after the close of each

fiscal year, submit to the Lieutenant Governor in Council an annual report upon the affairs of the centres, which shall include their audited financial statements, and shall then lay the report before the assembly if it is in session or, if not, at the next ensuing session."

Motion agreed to.

Section 14, as renumbered and as amended, agreed to.

Sections 15 to 17, inclusive, as renumbered, agreed to.

Bill 124, as amended, reported.

On motion by Hon. Mr. Gregory, the committee of the whole House reported one bill with certain amendments.

### BUSINESS OF THE HOUSE

**Hon. Mr. Gregory:** Mr. Speaker, before the adjournment of the House I would like to outline the business for next week. On Monday, July 5, the committee of the whole on Bill 46; then second reading of Bill 38; then, if there is time, second reading of municipal bills in this order: 119, 11 and 29.

On Tuesday, July 6, I expect we will be completing municipal bills in committee of the whole as well as committee on Bill 38, if required.

The House adjourned at 6 p.m.

## APPENDIX

## ANSWERS TO QUESTIONS ON NOTICE PAPER

## SIZE OF CUTOVERS

**85. Mr. T. P. Reid:** Would the Minister of Natural Resources provide the size of the cutovers which were approved within the licensed areas of: (1) Boise Cascade Canada Ltd.; (2) Great Lakes Forest Products Ltd; (3) Abitibi Paper Co. Ltd; (4) Kimberly Clark of Canada Ltd, and (5) Spruce Falls Power and Paper Co. Ltd. for the years 1977-78, 1978-79, 1979-80, 1980-81, 1981-82? Please provide the type of cutting method used, the location of the cutovers, and the extent of any artificial or natural regeneration on these sites. [Tabled April 16], 1982.

See sessional paper 168.

## DAY NURSERIES ACT

**131. Mr. Boudria:** In view of the fact that new standards and regulations which pertain to the Day Nurseries Act are expected in June, will the Minister of Community and Social Services explain:

1. What will be the dates by which current licensed programs will have to comply with group size and ratio regulations?

2. What will be the dates by which current licensed programs will have to comply with the staff qualification clauses of the regulation?

3. What support services will be available to assist licensed programs to meet these new regulatory requirements; for example, will funds be allocated to provide for employee relief to be involved in upgrading? Will funds be available to employees to subsidize lost wages necessitated by upgrading requirements? Will funds be available to employees to subsidize lost wages necessitated by upgrading requirements? Will funds be available to upgrade materials and facilities as required?

4. What negotiations has the Ministry of Community and Social Services undertaken with either Canada Manpower or the Ministry of Education and Ministry of Colleges and Universities to seek their assistance in dealing with these implications?

5. Will the regulation implementation demand that some current longstanding employees be released because they do not meet the qualification requirements?

6. What guidelines are, or will be, available for the program consultants to ensure that they

interpret and apply the regulations equitably and accurately? [Tabled May 5, 1982].

**Hon. Mr. Drea:** 1. The date by which currently licensed programs will have to comply with group size and ratio regulations will be the date of their licence anniversary (i.e., licence renewal date) following proclamation of new regulations. These dates are spread over the entire year.

2. The date by which currently licensed programs will have to comply with staff qualification clauses of the regulations will be the date of their licence anniversary (i.e., licence renewal date) following proclamation of new regulations.

3. Support services available from this ministry include an increased complement of program advisers who will assist operators in their understanding of requirements under new regulations. Surveys of currently employed staff indicate that over half the number of workers now employed have the required amount of training. Many centres now exceed the proposed number of staff with early childhood education training.

Ministry proposals did not require that all members of staff have such training. Therefore, no funds are available from the ministry to provide for employee relief for upgrading. No funds are available to subsidize wages lost in upgrading. No special funds are available for upgrading materials and facilities. Programs which meet the intent of current legislation should have negligible cost under new regulations.

4. There is ongoing liaison with the Ministry of Colleges and Universities with regard to staff training. The Ministry of Community and Social Services also has representation on the Provincial Consultative Committee on Early Childhood Education. There have been no discussions with Canada Manpower and at this time it is not considered an appropriate direction to take.

5. It is not anticipated that longstanding employees who do not change employment will need to be released, particularly if they are prepared to begin studies which would permit their advancement. It is not the intention of the ministry to require that every employee in each program have formal training.

6. The ministry is preparing a manual for the



use of its field personnel which will make explicit the intent of each regulation, and indicators of compliance. This should assist program advisers in their interpretation of requirements. This document will also be available to operators in order that expectations of the ministry be clearly understood, and a series of orientation meetings will be held throughout the province to familiarize operators with new requirements.

#### ALBANY CLUB RECEPTION

**152. Mr. Wrye:** Would the ministry advise the House who was invited to the Treasurer's reception on May 13, 1982? List the name and address for each person. Who compiled the guest list, and what were the sources for the names? [Tabled May 18, 1982].

**Hon. F. S. Miller:** (1) Various people with an interest in business and the economy. (2) The list was prepared by the Treasurer's office and included generally people who had expressed an interest in the budget.

**153. Mr. Wrye:** Would the ministry advise the House what was the cost of the reception at the Albany Club for the Treasurer's guests after the May 13, 1982, budget? [Tabled May 18, 1982].

**Hon. F. S. Miller:** The total cost of the reception at the Albany Club after the May 13 budget presentation was \$6,425.76.

#### GOVERNMENT MEMBERS' SALARIES

**155. Mr. Wrye:** Would the ministry advise the House what is the total salary paid to the chief government whip and Minister without Portfolio? Who else within the government received more than one salary from the Treasury? [Tabled May 18, 1982].

**Hon. Mr. Wiseman:** The salary paid to the Minister Without Portfolio, M. Gregory, for the 1981-82 fiscal year was \$11,700. Salary paid to him as chief government whip is paid from caucus funds.

**Hon. Mr. McCague:** The Premier, cabinet ministers with portfolio, cabinet ministers without portfolio, and parliamentary assistants receive a salary cheque paid by their individual ministries, in addition to the indemnities and allowances. Details are set out on page 8 of Allowances and Services: A Guide for Members of The Ontario Legislature, August 1981.

#### PUBLIC SPEAKING COURSE

**156. Mr. Wrye:** Would the ministry advise the House what was the cost to the taxpayer for the Treasurer's public speaking course in New York

City in the summer of 1981? Where was the course held, and by whom? What Canadian consultants provide the same service, and why were they not chosen? [Tabled May 18, 1982].

**Hon. F. S. Miller:** Cost: US\$2,500.

Held in: New York, NY.

By: Communispond Inc.

This particular course fitted into the Treasurer's schedule when he was in New York City for meetings with Salomon Brothers. The information requested with respect to what Canadian consultants provide the same service is not available.

#### DELEGATION TO CONFERENCE ON CONSTITUTION

**158. Mr. Boudria:** What were the names and titles of all members of the Ontario delegation to the federal-provincial conference on the Constitution in Ottawa in November 1981? What was the total cost for the delegation, and what were the costs for each individual? [Tabled May 18, 1982].

**Hon. Mr. Wells:** The members of the Ontario delegation to the federal-provincial conference on the Constitution in November 1981, and their costs, were as follows:

##### Premier's office:

Hon. W. Davis, Premier, \$1,126.94; Dr. E. Stewart, Deputy Minister, \$246.46; A. Leal, Constitution Adviser, \$338.61; A. Segal, Associate Secretary-Cabinet, \$562.13; N. Jamieson, Policy Co-ordinator, \$448.19; L. Hilborn, Co-ordinator, \$464.54; V. Devitt, Assistant Press Secretary, \$384.82; transportation costs, \$354.90.

##### Ministry of Intergovernmental Affairs:

Hon. Thomas L. Wells, Minister, \$1,783.28; D. W. Stevenson, Deputy Minister, \$592.31; G. Posen, Director, Federal-Provincial Relations Branch, \$572.57; D. Massicotte, Chief of Communications, \$445.37; L. Ratnick, Special Assistant to the Minister, \$714.49; R. Smith, Secretarial Assistant to the Ontario Delegation, \$376.80; transportation costs, \$918.37.

##### Ministry of the Attorney General:

Hon. Roy McMurtry, Minister, \$1,026; A. R. Dick, Deputy Attorney General, \$958.90; J. Cavarzan, Director, Constitutional Law, \$896.40; D. Allen, Director of Communications, \$739.10; transportation costs, \$677.60.

Total delegation cost, \$13,627.78.

#### DISTRIBUTION OF BUDGET HIGHLIGHTS

**178. Mr. Wrye:** How many copies of High-

lights, 1982 Ontario Budget, were supplied to the Treasurer or the Progressive Conservative Party for mailing to the list provided by either the Progressive Conservative Party or the Progressive Conservative caucus office? Were envelopes supplied? If so, by whom and at what cost to the taxpayers? [Tabled May 20, 1982].

**Hon. F. S. Miller:** Approximately 3,000 copies of Highlights, 1982 Ontario Budget, were supplied to the Ontario PC Party. All mailing costs, including envelopes, were billed to the party.

**179. Mr. Wrye:** When were the copies of Highlights, 1982 Ontario Budget, prepared for mailing to Progressive Conservative Party members? By whom were the workers supervised, and what was the cost of the supervision? Were meals and refreshments provided? If so, by whom and at what cost, if any, to the taxpayers? [Tabled May 20, 1982].

**Hon. F. S. Miller:** The copies were prepared for mailing on Thursday, May 13, 1982. The workers were supervised by members of the Treasurer's staff. Meals and refreshments were provided. All costs were billed to the party.

#### PUBLIC RELATIONS STAFF

**190. Mr. T. P. Reid:** Would the minister advise how many communications officers and/or information officers based on the civil service classification of public relations officers 1, 2 and 3, and the information group classification (AIF 17, 18, 19 and 20 pay levels, are there in each ministry? Also, how many secretarial and technical staff, photographers, etc., are there in each ministry, including directors—manager and supervisory staff? What are the salaries paid on a per ministry basis for each of these functions? [Tabled May 28, 1982].

See sessional paper 169.

#### MINISTER'S TRIP TO EUROPE

**198. Mr. Philip:** Would the Minister of Municipal Affairs and Housing table information on the itinerary, purpose, findings and conclusions of his recent trip to Great Britain, France and Belgium? Would he table a breakdown of the total cost of this trip showing specifically the cost of travel, hospitality and hotels? Would the minister provide details on what relevance, if any, his trip has to plans for Townsend, Seaton or other new towns of the Ontario Land Corp.? [Tabled June 1, 1982].

See sessional paper 164.

#### STAFF IN PREMIER'S OFFICE

**204. Mr. Mancini:** Would the Premier provide the following information concerning the Office of the Premier?

1. How many employees were in the Premier's office in 1971, (either permanent or contract)?

2. How many employees are in the Premier's office for the fiscal year 1982-83 (either permanent or contract)?

3. Would the Premier provide a list of the staff positions and salaries and perquisites associated with those positions for the following fiscal years: 1979-80, 1981-82 and 1982-83? [Tabled June 2, 1982].

See sessional paper 165.

#### STAFF IN CABINET OFFICE

**205. Mr. Mancini:** Would the Premier provide the following information concerning the Cabinet Office?

1. How many employees were in the Cabinet Office in 1971, (either permanent or contract)?

2. How many employees are in the Cabinet Office for the fiscal year 1982-83 (either permanent or contract)?

3. Would the Premier provide a list of the staff positions and salaries and perquisites associated with those positions for the following fiscal years: 1979-80, 1981-82 and 1982-83? [Tabled June 2, 1982].

See sessional paper 166.

#### PAPER ON WETLAND POLICY

**209. Mr. J. A. Reed:** Would the Minister of Natural Resources table all the responses received by the ministry on the MNR discussion paper, Towards a Wetland Policy for Ontario, September 1981? [Tabled June 4, 1982].

**Hon. Mr. Pope:** We have received 502 letters in response to the discussion paper, Towards a Wetland Policy for Ontario. In the light of the efforts required to reproduce and table these letters, it would seem more efficient to make available a summary of responses, which is now being prepared. All responses will be available for review in the Ministry of Natural Resources library at the appropriate time.

#### WCB EVALUATION OF STUDY

**213. Mr. Martel:** Would the Minister of Labour please table the evaluation of the McMaster study prepared by officials of the board to which the minister referred in his letter of April 28, 1982? [Tabled June 7, 1982].



**Hon. Mr. Ramsay:** The letter of April 28 referred to an analysis undertaken by the Workmen's Compensation Board of the Joint Occupational Health and Safety Committee/Inco Mortality Study. This analysis consisted of meetings and discussions, and further inquiries by the board and the ministry were directed to Dr. R. S. Roberts, one of the authors of the report, in a letter dated June 14, 1982, which has already been made available to the member for Sudbury East.

#### EMPLOYEE HEALTH AND SAFETY

**215. Mr. Martel:** Further to the question I raised in the House April 15, 1982, regarding workers in the mill area of Elliot Lake, would the Minister of Labour indicate what steps he will take to review all Workmen's Compensation Board claims of mill workers exposed to radiation in view of the fact that two claims have already been established? [Tabled June 7, 1982].

**Hon. Mr. Ramsay:** The Workmen's Compensation Board has reviewed the records pertaining to mill workers in Elliot Lake. Their records indicate that there have been eight claims reported for employees who have worked in the mill. These claims have not been accepted.

During a meeting with the United Steelworkers of America, the board agreed to review all claims for uranium miners with lung cancer. This review is almost complete and the results of the review will be sent to the United Steelworkers of America and other interested parties upon request.

The two claims referred to relate to claims established for employees of the Chalk River nuclear plant. These claims are for disabilities other than lung cancer.

#### SPECIAL NEEDS WING AT ELLIOT LAKE HOSPITAL

**216. Mr. Wildman:** Would the Minister of Health inform the House of his ministry's role in the administration and operations of the special needs wing at St. Joseph's Hospital, Elliot Lake, his ministry's role in approving admissions of multiply-handicapped children to this special needs wing, and the per diem rate per child at this wing that this Ministry of Health is paying? [Tabled June 9, 1982].

**Hon. Mr. Grossman:** In 1971, St. Joseph's General Hospital, Elliot Lake, established a chronic care program for children and adults. Eighteen beds were designated for adults and 10 beds for children.

Responsibility for accommodation and treat-

ment of the physically handicapped children rests with the board and medical staff of St. Joseph's General Hospital. The ministry's principal role is to provide financial support.

The ministry has no specific responsibility for individual admissions.

Since 1971, a number of children have been treated and discharged from the unit from active treatment facilities in northern Ontario through referral by Sudbury Algoma Hospital to the chronic care committee at St. Joseph's General. The children admitted to the unit are screened by the Regional Child Care Centre, Sudbury Algoma Hospital.

The ministry is not involved in establishing or administering the admission policies of St. Joseph's General Hospital. Recently, individual developmental plans were completed for each child. Care rendered by St. Joseph's nursing and medical staff was found to be of excellent quality. The developmental program for each child is administered by the Algoma Mental Retardation Service, Ministry of Community and Social Services, Sault Ste. Marie, in concert with the medical and nursing staff at St. Joseph's General Hospital.

Care is provided for children as part of the hospital's global funding and there is no established per diem rate.

#### ONTARIO OFFICE IN PARIS

**217. Mr. Wrye:** What is the monthly rental cost for the Ontario office in Paris? What are the costs of renovations, and by whom were they done? What salary is paid Adrienne Clarkson and what moving expenses were paid, if any? What other costs are associated with this office such as staff accommodation, entertainment, etc.? [Tabled June 11, 1982].

**Hon. Mr. Wells:** 1. The monthly rental cost for the present office in Paris is approximately \$6,567 (Canadian funds) per month. This is paid by the Ministry of Industry and Trade.

2. The Paris office is to be moved to a larger premises in September 1982. To date, no renovation costs have been incurred.

3. Adrienne Clarkson's salary is \$59,042 (Canadian funds) per annum. Moving expenses incurred were \$20,527.

4. Foreign service allowances and benefits (Canadian funds) for the entire staff at the Paris office are: foreign service benefits, \$96,227; rent and utility allowances, \$85,461; hospitality, \$20,920. These allowances are in accordance with the Ontario Foreign Service Manual.

### EMPLOYMENT STANDARDS ACT CERTIFICATES

**218. Mr. Wrye:** Will the Minister of Labour advise:

1. How many certificates under s. 54 of the Employment Standards Act, RSO 1980, c. 137, have been issued and filed within the last three years?

2. For how many of the above-mentioned certificates have funds been collected in full satisfaction of moneys owing?

3. How many orders to pay have been issued against employers within the last three years?

4. Pursuant to how many of the above-mentioned orders to pay have funds been collected in full satisfaction of moneys owing?

5. How many of the employers against whom certificates or orders were issued in 1 and 3 above were employers whose head offices are located outside of Ontario? [Tabled June 11, 1982].

**Hon. Mr. Ramsay:** (1) 566; (2) 60; (3) 2,147; (4) 960; (5) we do not have this information.

### ATTENDANCE AT ESTIMATES

**220. Mr. Elston:** Would the Minister of the Environment provide the names, positions and salaries of all officials from his ministry who attended the estimates of the Ministry of the Environment? [Tabled June 14, 1982].

**Hon. Mr. Norton:** The following staff were required to attend the discussion of the Ministry of the Environment estimates before the standing committee on resources development:

Mr. G. J. M. Raymond, Deputy Minister; Mr. J. W. Giles, Assistant Deputy Minister, Environmental Assessment and Planning Division; Mr. W. Bidell, Assistant Deputy Minister, Regional Operations and Laboratory Division; Mr. W. B. Drowley, Executive Director, Resources Division; Mr. G. E. Higham, Executive Director, Finance and Administration Division; Mr. A. Castel, Director, Program Planning Branch; Mr. D. Bonnell, Special Assistant to the Minister; Mr. P. Hamel, Press Secretary, Minister's Office.

In addition to the above, directors of the various branches were required to be present when their vote was being discussed.

Individual staff attended various sessions either as a result of their own personal interest or as suggested by the individual branch directors.

The salaries of the above-mentioned individuals are contained in the Ontario Public Accounts.

### ONTARIO WASTE MANAGEMENT CORP.

**222. Mr. Elston:** Would the Minister of the Environment table a copy of the memorandum of agreement to be signed by the minister and the chairman of the Ontario Waste Development Corp., which will formalize the crown corporation status of the OWMC? [Tabled June 14, 1982].

**Hon. Mr. Norton:** The memorandum of agreement between the minister and the chairman of the Ontario Waste Management Corp. is currently in draft form only.

It will be examined by the Ontario Waste Management Corp., approved by the board of directors, prior to submission to Management Board for final government approval.

It is expected that the agreement will be finalized in the near future, and a copy will be made available to the honourable member.

### TAX ON MEALS

**224. Mr. Breaugh:** What are the legal precedents referred to by the Treasurer in his reply to a supplementary question asked by me on Thursday, June 17, 1982, on the basis of which the Treasurer is collecting the retail sales taxes proposed in his budget on May 13, 1982, before the retail sales taxes proposed have been authorized by act of this Legislature? Will the ministry table these precedents immediately? [Tabled June 18, 1982].

**Hon. F. S. Miller:** The precedent for retroactive legislation to collect taxes imposed as a result of a government's budget, or to give an exemption from tax, is one of long standing on federal and provincial legislation. Retroactive legislation in the area of taxation is unquestionably within the power of the legislature of a province. Courts have repeatedly considered such legislation, and so long as the intention to make legislation retroactive is clearly expressed in the legislation, retroactivity has not been questioned. A recent example of provincial legislation expressed to be retroactive for a period of more than three years can be seen in the judgment of the Supreme Court of Canada in the Minister of Finance for New Brunswick et al versus Simpsons-Sears Limited (1982), 130 DLR (3d) 385.

The collection of the tax between the date it becomes applicable and the later date when the bill retroactively imposing it is passed is a matter of practicality rather than legality. The law imposing the liability cannot be enforced until



the bill is enacted, but once that takes place, the law it brings into force is law for the period both before and after the enactment of the bill. Prior to the passage of the bill, there is no legal compulsion to do the thing the bill will require to be done, but after the passage of the bill, the law will be that the thing should have been done. During the period of retroactivity, no sound legal advice could ignore the retroactivity of legislation and the consequence that could ensue from failing to take it into account in governing one's actions prior to the passage of the bill.

The clear legal position is that, once a bill that contains retroactive provisions is enacted, it is legal to apply those provisions according to their terms. The need for certainty of application for both a tax liability and a tax exemption requires that some date be chosen so that the change will apply to all equally at the same time to prevent some from taking advantage of the change at the expense of others. To preserve this equity, the law contained in the bill must be applied equally to all, and when the bill is retroactive and everyone is aware of that retroactivity, those who choose to ignore that knowledge because the bill is not enacted are not entitled to an advantage over those who act in accordance with the bill's requirements.

The question asked on June 17 last, which is referred to in question 224 on the Order Paper, cited subsection 5(3) of the Regulations Act. That subsection must be read in the context of section 3 of the act, which says that "unless otherwise stated in it, a regulation comes into force and has effect on and after the day upon which it is filed." Subsection 45(4) of the Retail Sales Tax Act, for example, authorizes the making of retroactive regulations, and regulations so made expressly state the period of their retroactivity. When filed, they are invariably published in the Ontario Gazette, and therefore do not fall within the class of unpublished regulations to which subsection 5(3) of the Regulations Act addresses itself. A regulation is effective in accordance with the authority of the statute that authorizes it. Where that statute authorizes retroactivity, and where the regulation is published, the regulation has the effect authorized for it by the statute.

## LUMP SUM PAYMENTS

**225. Mr. Di Santo:** Would the Minister of Labour table the Workmen's Compensation Board order of January 1, 1978, regarding lump sum payments? [Tabled June 21, 1982].

**Hon. Mr. Ramsay:** There is no Workmen's Compensation Board order of January 1, 1978, regarding lump sum payments.

## RESPONSE TO PETITION

### TAX ON MEALS

Sessional paper 139:

To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

We, the above-signed, beg leave to petition the Parliament of Ontario, as follows:

"We the above-signed as members of the 'Eating Out Population' strongly object to the introduction of a seven per cent sales tax on everything to eat or drink in a restaurant from a cup of coffee up and urge that the tax be removed."

**Hon. F. S. Miller:** The main goal of the budget was to create jobs and to improve the climate of business confidence. At the same time it is important to ensure that a reasonable level of public services be maintained. Considering the federal government's large cutback in payments to the province, amounting to \$290 million in 1982-83 alone, and the need to keep the provincial deficit under control, provision was made for some increases in revenue.

The budget contains major incentives for employment creation, investment, small business and housing construction. But a large and important task like this should not be accomplished at the expense of either service levels or fiscal responsibility. Additional tax revenues are required so that the major services can be maintained at decent levels now and in the future.

The size of the revenue requirements and existing economic conditions indicated that revenues be raised through the retail sales tax. Rather than raise the rate to eight per cent, it was my judgement that the overall economic interests of the province would be served best by expanding the sales tax base. This necessitated an extension of the tax to items such as all prepared food.

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No. 95

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Monday, July 5, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Monday, July 5, 1982

The House met at 2 p.m.

Prayers.

## VISITOR

**Mr. Nixon:** Mr. Speaker, I would like to bring to your attention the presence of an honoured guest in your gallery. Mr. Russell Johnston is the member of Parliament at Westminster for the constituency of Inverness and is leader of the Scottish Liberal Party. With that list, I know you would want to make him welcome.

**Mr. Speaker:** We are very pleased to welcome Mr. Johnston to our assembly.

## WORLD CUP RESULTS

**Mr. Di Santo:** Mr. Speaker, on a point of privilege: I would like to inform the House that in a major upset Italy just beat Brazil in the World Cup soccer tournament.

## STATEMENTS BY THE MINISTRY

### BILD AGRICULTURAL INITIATIVES

**Hon. Mr. Timbrell:** Mr. Speaker, I would like to take this opportunity to report to the House on the successes of the Board of Industrial Leadership and Development program in agriculture.

**Mr. McClellan:** That should not take long.

**Hon. Mr. Timbrell:** Just for that, I may read even more slowly than usual.

When the Premier (Mr. Davis) established the Board of Industrial Leadership and Development in January 1981, he identified the six major areas which will best help provincial economic growth in the 1980s. They are electricity, transportation, technology, people, community and resources. BILD's \$1.5-billion funding is being spent over five years for development in these six areas.

Agricultural development comes under the resources aspect of BILD, and \$58.25 million has been allocated for BILD agricultural initiatives. The ministry has also allocated \$5 million from its own budget for other BILD programs, bringing the total funding to \$63.25 million.

Today I am tabling a detailed report on the BILD agricultural initiatives made through my ministry, but I would like to mention just a few points from my report.

First, BILD is generating new jobs, increasing production and earnings and, more important, helping make Ontario more agriculturally self-sufficient. For example, BILD and my ministry recently granted \$3 million to H. J. Heinz Co. of Canada Ltd. towards the \$15-million cost of expanding its Leamington plant which will make Heinz the first major Canadian tomato solids manufacturer.

Canada currently imports \$50 million worth of tomato solids a year and Ontario consumes half of that. That amount is growing every year. When the Heinz plant reaches full production, it will replace fully 25 per cent of the imported tomato solids. Furthermore, it will generate more than \$4 million a year in new income for Ontario farmers as well as new jobs and other economic spinoffs.

This program is just one of nine BILD agricultural programs in the food processing field. BILD has allocated \$20 million over five years for programs of this nature. The nine programs approved to date have received a total of \$11.2 million. This sum represents 19 per cent of the \$60-million total capital to be invested by the companies involved in these projects.

Another important BILD agricultural involvement is the Ontario storage and packing assistance program. The marketing period for Ontario fruit and vegetables must be extended through the provision of modern storage and packing facilities. BILD has allocated \$20 million for this program over five years.

BILD agricultural has already approved 100 storage and packing construction or modernization grants worth nearly \$1.7 million. The total capital cost of these 100 projects is more than \$4 million. They cover storage facilities for everything from apples and onions to potatoes and cucumbers. As a result of this initiative, more Ontario money is being spent on Ontario-grown produce and staying in Ontario to strengthen our provincial economy.

Several other BILD agricultural programs are aimed at improving product opportunities. BILD funds are allocated to help modernize whey processing facilities and cream and butter processing. Other BILD programs are encouraging growers to plant more asparagus and tender

fruit to stimulate local processing industry. The byproduct of these programs is the replacement of foreign-grown and processed goods.

BILD has also committed funds to high-technology education for agricultural colleges and to farmers' market expansion. All these programs are listed in the report I am tabling today.

In conclusion, I would like to point out that agriculture supports a \$10-billion food industry in the province and, because of BILD, that industry is growing and developing.

## ORAL QUESTIONS

### WAGE CONTROLS

**Mr. Peterson:** Mr. Speaker, I have a question for the Premier, now that he has returned from Ottawa. There appears to be a substantial amount of confusion about what his government is going to do with respect to the wage control matters. We have been treated to a number of articles over the weekend featuring comment by various of his ministers and various staff people, some speaking personally, some perhaps speaking for the government.

Will the Premier bring this House up to date as to his plans and what he intends to do to follow the federal initiative?

**Hon. Mr. Davis:** Mr. Speaker, the meeting last Wednesday was one of the better meetings in Ottawa, by which I mean it was better than some that I have attended.

**Mr. Nixon:** Did it have something to do with the menu?

**Hon. Mr. Davis:** No. The more constructive part of the discussions took place before lunch.

I think it is fair to state there was a fair degree of unanimity among the first ministers with respect to the need for government restraint or control over expenditures, whatever term one may wish to use. At the same time, a number of us pointed out that in our own way we had taken certain initiatives, although not as all-embracing as the federal legislation which has been introduced.

It is also fair to state that some Premiers felt their situations were somewhat different from that of the government of Canada and that they would be approaching it in their own fashion. Of course we discussed a number of other matters besides the proposals in Mr. MacEachen's budget; while that took part of the time, it was not the sole topic.

I understand that some speculative stories and personal observations were made in the

press as to what the posture of this government may or may not be, and that is quite understandable. I would only say to the Leader of the Opposition that no determination has been made yet. It is a very complex subject that requires a great deal of thought and assessment. I can assure him that the members of this House will be the first to know when a determination has been made.

**Mr. Peterson:** The Premier has said he has not made up his mind whether initiatives will be taken, and I assume he is still contemplating possible courses of action. Some of the press reports said he would be making this determination at his cabinet meeting on Wednesday. Whether or not that is accurate, I do not know.

Can we have the Premier's assurance that any such legislation will be brought to the House prior to our adjourning for the summer so that we can have a full discussion of how this is going to impact on the people of Ontario? Can we have his assurance that it will be brought to this House before we retire?

2:10 p.m.

**Hon. Mr. Davis:** Mr. Speaker, obviously I cannot give that assurance. I think it is obvious to the Leader of the Opposition that if one of the options, which would be some form of legislation, were felt to be necessary, it would come to the House. One cannot legislate without the House.

**Mr. Cooke:** Mr. Speaker, I am surprised the Premier did not have a statement to present to the Legislature today as to exactly what he proposed as leader of his government last week.

May I ask the Premier whether he agreed with the Minister of Revenue (Mr. Ashe) when the minister stated publicly this weekend that wage controls should be across the board in both the public sector and the private sector? He is a minister of the crown and a member of the Premier's cabinet. Does the Premier agree with his position on that?

Perhaps the Premier could also indicate when he intends to give a full report to this Legislature on what specific proposals he has to reconstruct and correct the very deep-seated structural difficulties in the economy of Ontario.

**Hon. Mr. Davis:** Mr. Speaker, I am sorry the honourable member is disappointed that I did not have a full statement about the discussions that took some three and a half to four hours on Wednesday last. The 10 participants were all expressing personal points of view or views on



behalf of their governments or their provinces to the first minister of Canada, as I did in turn.

The meeting was convened by the Prime Minister. There was no formal agenda, as I am sure the member, if he had been reading the press, was aware. I think he will understand that I had already told the press two or three of the items I would be suggesting to the Prime Minister. One, related to the capital cost depreciation allowance—I forget the exact terminology—was the concern we have as a province with respect to incentives for equity investment.

**Mr. Sargent:** If you could tell the press, why couldn't you tell us too?

**Hon. Mr. Davis:** It was all in the press, I say to the member for Grey-Bruce, before I ever left for Ottawa. If he read it, he would find it.

It is fair to state that there was a fairly wide range of discussion on the Foreign Investment Review Agency. There was no unanimity on that matter, which should come as no surprise to the member.

Relative to the observations, made I gather on a personal basis by the Minister of Revenue over the weekend, I am not familiar with them. I have not read them, nor have I discussed them with the minister. I remind the member of observations I have made—which, incidentally, were observations, and not promises or commitments—that I have always felt that if a program of wage controls—

**Mr. Foulds:** No promises or commitments.

**Hon. Mr. Davis:** Listen, the member was carping on Tuesday about being interrupted and about my taking too long. Here he is the first offender this afternoon, which is typical, traditional and why I enjoy it so much. In fact, if the people on the other side of the House ever stopped half my fun would disappear.

I say to the member that I have made observations, in terms of equity, that I have always felt that a program should embrace more than just the public sector; although I do point out to the member, in spite of some of the press reports I have read, I have stated that point of view but I think he will find we never made such a promise or commitment.

**Mr. Peterson:** Surely the Premier understands that a lot of observers of this whole debate feel he is governing in a very strange way when he comes to this House and talks about his own feelings, presumably as the member for Brampton but not as Premier. His Minister of Revenue now is talking from a personal point of view but not as a minister. He has his press secretary,

Denis Massicotte, saying he is betting that controls would cover all public servants and parapublic sectors. As a result, there is a great deal of confusion and concern by people who are potentially affected by this kind of legislation, if it comes in, or set of rules, however it comes in.

My question to the Premier must be this: Will he guarantee this House that if he does bring in a program of controls, it will be fair in the sense that it will not punish those persons on the low end of the economic ladder to the same extent as it does those on the upper end; in other words, the controls will be geared to income?

Second, if he does bring them in, will he bring in controls on prices for the things he does control, particularly hydro, to ease some of the burden?

**Hon. Mr. Davis:** I am intrigued by the question asked by the Leader of the Opposition, because I thought I had answered an almost identical question on Tuesday last. My recollection is that I pointed out on Tuesday last—the member can check Hansard to see whether my memory is correct—that, as a matter of policy, this government had recognized the question by our own controls or wage guidelines primarily having an impact on those in the higher-income levels. I think I told the member that on Tuesday.

In my limited experience, no program of controls can guarantee total equity. I think everybody accepts that. There is always some degree of inequity in any program. If the Leader of the Opposition is arguing that the federal program is totally equitable, I think he will find even the initiators of that program will say they know it is not totally equitable. They understand that.

By the tenor of the member's question, I assume that he feels it is equitable and that he is in support of the initiatives of the government of Canada. I assume that because I have read nothing to the contrary.

I also say to the honourable member that if he read the federal program and Mr. MacEachen's budget carefully—I think I said this to him on Tuesday, but I will repeat it—he would realize that while they are establishing some sort of administrative agency with respect to administrative price increases—I assume they are referring to fares of Air Canada and some of those other administrative agencies—they did, in fact, exclude energy.

If the member read the paper carefully—and if memory serves me correctly—there was a

modest increase in energy prices even after Mr. MacEachen's budget. The Minister of Energy (Mr. Welch) can correct me if I am wrong, but I think there was an escalation in price on July 1 or July 2, or whatever date, and that, in a particular way, was excluded from Mr. MacEachen's program.

I think the member will understand why because, as I have listened to him over the years, he has always advocated escalation in energy prices to meet world price. Now that world price has not gone up—and I recall suggesting to him that this might not happen, but he will forget. I would point out that Ontario Hydro is not the same as Air Canada or some other areas where, administratively, one can keep prices or fees down.

I say to the member, who takes great delight in pointing out to the Treasurer (Mr. F. S. Miller) his concern with respect to the capital markets, that there is no question the very significant increase in the federal budgetary deficit is going to impose a very major burden on the capital markets both here and abroad. Ontario Hydro has certain necessities in the capital markets and if its rate increases were substantially reduced, the only alternative for Hydro would be to go into the capital market to borrow at high interest rates, which consumers would then end up paying somewhere down the road.

Interjection.

**Hon. Mr. Davis:** If the member—by way of his final supplementary; which is against the rules, but I will try to answer it—looks at the application before the Ontario Energy Board, he will probably find that the wage component of Ontario Hydro may represent between 1.5 and two per cent, perhaps closer to 1.5 per cent, of what they need by way of a rate increase. Most of the rate increase refers to the cost of capital and the cost of fuel.

#### TAX ON LABOUR

**Mr. Peterson:** Mr. Speaker, I have a new question for the Treasurer. On federal budget night, the Treasurer was absent from the committee that is looking into the retail sales tax matter. There was a delegation from the Canadian Truck Dealers, with Mr. Jack Kirby, who at that point argued against the extension of the retail sales tax on labour, saying that the tax on labour will not raise the Ontario government any extra money; it will create extra hardship for heavy truck dealers and extra expense for

the owner-operators, and it will probably swell unemployment.

Recognizing this and the difficulty of this position the Treasurer has presented, the Minister of Revenue (Mr. Ashe), who was there that evening, said he could not comment but would leave it to the Treasurer to comment on this public policy matter. Given the fact that the thrust of the Treasurer's budget was to create jobs, and here we will probably lose jobs because of his tax, will he reconsider this tax on labour?  
**2:20 p.m.**

**Hon. F. S. Miller:** Mr. Speaker, I did meet with Mr. Kirby, as I am sure he told the Leader of the Opposition, before the committee hearings began, and I met with representatives of the heavy truck industry. I did listen with great care to their point of view. Until the committee hearings have terminated, I would like not to make any conclusions.

**Mr. Peterson:** I recognize the frustrations, because some of the government's back-bench members, such as the member for Wellington-Dufferin-Peel (Mr. J. M. Johnston), have said there will be no changes as a result of this committee because the Treasurer has made up his mind on these matters. That is why we are obliged to bring them up in the House where he has to answer.

The facts brought forward in that particular case are that the truck operators have the option of where their trucks are serviced and they foresee much more servicing in Quebec as a result of the new tax on labour. Is it the Treasurer's policy to drive jobs out of the province, to create more employment in Quebec in this area as it was, for example, to create jobs in Saskatchewan with the government's contracts or jobs in Alberta with the purchase of Suncor? Is that the new job creation strategy?

**Hon. F. S. Miller:** I think the Leader of the Opposition should recognize that the variation in labour rates charged for fixing a truck within Ontario is much greater than it is between Ontario and Quebec. I suggest and suspect that the rates in major truck service centres in Montreal are at least as high as they are in Ontario, and perhaps higher. The last time I saw some figures, they were.

**Mr. Breagh:** Mr. Speaker, different groups appearing in the committee have run up a projected total of 2,170 jobs that will be lost because of the measures in this one tax bill. Can the Treasurer tell us whether his officials have prepared any report of the impact of this bill on



the economy? In other words, what are his projections for job losses? Is he still retaining the notion he held prior to the preparation of the bill when he did no research in this regard. Is that sufficient for him? Is he now in possession of any indication of how many jobs will be lost? What are his projections that will match or counteract those of the various groups that have appeared before the committee?

**Hon. F. S. Miller:** Mr. Speaker, if one takes a look at the decline in business in the heavy equipment repair field, and not just the heavy truck repair field, one will find that there has been a very dramatic downturn in the overall demand of late for a number of reasons. Business is down in general. The idea that the sales tax is the cause of that is not so. I can assure the honourable member that I do not believe, and I still remain to be convinced, that there will be any dramatic reduction in the number of jobs farmed out.

The fact is that most of these large trucking and equipment operators have their own staff. They have used their own staff when they could do the jobs there and they have only farmed out the surplus, as was explained to the committee. That is my understanding. They got that kind of briefing from those people. Some of them get the overflow, the surges or whatever. In good times there is a lot of surge. In bad times the big truck fleets tend to do more of their repairs themselves because they are not using as many vehicles.

**Mr. Conway:** Mr. Speaker, as the Treasurer knows from having been at most of the hearings, a goodly number of people have come before the committee to make excellent commentaries, in many cases making suggestions that have enjoyed tri-party support.

Accepting that he would not want to say anything before the formal hearings conclude, can the Treasurer indicate today if, as and when he, on behalf of the government, will be making a statement as to what changes, if any, he will be making so as to set to rest the rather unfortunate rumours and reports emanating from certain quarters that he has no intention of making any changes and that these hearings and all the witnesses have been subjected to a pointless charade and an utter waste of time?

Can he indicate when he proposes to tell us what, if any, changes he is prepared to make on behalf of the government?

**Hon. F. S. Miller:** Mr. Speaker, it is obviously in the honourable member's interest to make

sure he sells that message. That is not true. We have been listening with great care to what I consider to be the necessary changes on the regulatory side, the application of the rules as written in the bill.

As my colleague the Minister of Revenue has pointed out, those regulations will not be processed through the various committees of government until some time following these committee hearings. If anything, the committee hearings have delayed that process a bit. I do not say that is bad. I simply say there is no use in writing regulations that define, for example, the number of doughnuts one has to buy to attract tax or the conditions under which tax is levied for any other taxable entity.

As I understood it, the part that was not being amended was the bill itself, not the regulations. The regulations contain the bulk of the detail, not the bill. The member knows that.

**Mr. Peterson:** Mr. Speaker, on a point of privilege: I believe the Treasurer was inadvertently misinformed on a subject about which he gave some information to the House.

In Hansard from that evening, Mr. Kirby said this about the hourly labour rates: "The labour rates are virtually identical and have been checked by our committees, \$28 to \$32 in Ontario, \$27 to \$33 in greater Montreal. Because of the relatively high cost of service to these expensive units, it would make no business sense to have them serviced in Ontario where there is a tax, compared to their alternatives."

I refer the Treasurer to Hansard.

**Hon. F. S. Miller:** On that point, Mr. Speaker, the highest rate was in Montreal.

## WAGE CONTROLS

**Mr. Foulds:** Mr. Speaker, I would like to return to the Premier on the subject of wage controls.

In view of the conflicting and loose-lipped statements by the Minister of Revenue (Mr. Ashe), the Chairman of Management Board of Cabinet (Mr. McCague), the Deputy Minister of Labour and the Premier's press secretary, will the Premier give us a clear and unequivocal statement, difficult though it may be for him? Is his government going to bring in wage controls in any way, shape or form?

**Hon. Mr. Davis:** Mr. Speaker, I thought I had answered that in the opening question by the Leader of the Opposition. I assured him that if there were any legislation this House would be the first to know.

**Mr. Foulds:** Will the Premier assure this House that he will abide by his parliamentary responsibilities and that any decision taken by cabinet this coming Wednesday will be reported to this House forthwith on Thursday, before the House rises? Does the Premier not think it is important that any action he takes be taken in the full confidence of this House?

**Hon. Mr. Davis:** I thought I had answered that question as well after the Leader of the Opposition's question to me. I did not think I would have to explain this to the member for Port Arthur. He has been here a little longer.

I do not recall any bill the government can deal with other than in the fullness of this House. Certainly the honourable member has my assurance that if there is to be any legislation, it will be brought to the members of this House. I should also caution the member that, while I have not read some of the speculative stories, I would not count on this matter necessarily being determined on Wednesday.

**Mr. Conway:** Mr. Speaker, some of us well remember what the leader of the government said some time ago. I do not have the quote in front of me, but I am sure my memory serves me well. The Premier said he was opposed in principle to public sector wage controls. It was those words "in principle" that always struck me as being something of note.

I want the Premier to tell us now whether he is still opposed in principle to the idea of public sector wage controls. If he is, will he be saying that on behalf of the government? Surely, as a great monarchist and a great believer in the British parliamentary tradition, he will know that this business that he, like the Minister of Revenue, can speak personally from time to time on these important matters of public significance is not very relevant.

As Premier, is he still opposed in principle to the idea of public sector wage controls? If so, will he indicate what the policy of his government will be?

**Hon. Mr. Davis:** Mr. Speaker, my memory may be a shade better than the honourable member's with respect to what I said. I will try to repeat what I said to his leader just a few moments ago.

I am not sure whether I used the words "opposed in principle" or "philosophically opposed" but I suppose I would express the point of view of perhaps not all but most members of this House in our philosophical opposition to wage and price controls in what-

ever form and for whatever sector. At least I have not heard enunciated by the member's party any massive move in that direction over the years they have been there in opposition. I could be wrong. I certainly know that as a matter of policy for many years the New Democratic Party has been opposed to controls both in the public and private sectors.

I think I expressed this reservation back in 1974 or whenever the former program went into effect. At that time I and the then Treasurer said that we were, opposed is perhaps not the right word, but we did not agree with it or we did not like it, philosophically. It is a recognition that economic conditions have reached a point where this sort of action becomes necessary. One can argue whether it was totally necessary in 1974 or 1975, but it was done.

I do reserve the right to express a personal point of view as I have done on other occasions. The member has not always agreed with it but I continue. If he wants me to give him a litany of those things on which I have expressed personal points of view while being Premier of this province, I will be delighted to remind him of them. I reserve the right to do that. I also know that when I do, there are those in the media and elsewhere who sometimes say, and understandably so, that the Premier as a matter of policy is going to do thus and thus or not going to do thus and thus.

I would just reiterate what I said to his leader and what I said to the member for Port Arthur (Mr. Foulds): I have always been less than enthusiastic or nonsupportive of controls. I do not think there is any debate about that. I did make the observation in January, I think, as preparation for the first ministers' meeting, that I was concerned about and did not like the idea of having controls apply to a particular sector of the province. In so far as equity is concerned, I think I still have that point of view.

However, I would also say to the honourable member that economic situations have altered since last January and February. I think that is obvious to each and every one of us. I can assure the member that, as I said to his leader, if, as a matter of policy, there is a determination by the government of this province that does require legislation—I should not say I can guarantee that they will be the first to know because I do not always control everything that is known; there are some days that is very obvious—but in a legislative sense, the members of this House will be the first to know.



**Mr. Foulds:** Can I ask the Premier if he agrees with the statement made, as a matter of government policy I assume, by the Chairman of Management Board of Cabinet (Mr. McCague) last week when he said he felt that the agreements his government has reached with the public service of Ontario were "reasonable" and therefore not contributing to the inflationary spiral? If so, will he give us a clear statement that wage controls are not a solution to the country's inflationary spiral and economic difficulties?

Also, will he at least give us the assurance, today, that the civil servants of this province, particularly in the wage categories that I brought out last week, will not be made to bear the brunt of this government's policy or the federal government's policy?

**Hon. Mr. Davis:** I was not here when the Chairman of Management Board made whatever observations he did make, and I am not sure from what I understand that he made them in exactly that way. I am not saying that the member has misrepresented what he said but I will check carefully what he said.

**Mr. Foulds:** You are very badly briefed today, aren't you?

**Hon. Mr. Davis:** Actually I have been very well briefed.

The honourable member would making a mistake, and all of us would be making a mistake if we did not recognize that "wages" in a general sense, including in the public sector, do have an impact upon inflation. It would be totally unrealistic to say that they do not.

It would also be unrealistic for us not to understand that in the public and private sector, and I think perhaps earlier in the public sector, our main trading partner, the one with whom we do the greatest amount of business and the one which is our greatest competition, exercised a greater measure of restraint with respect to the public sector than has been the case in Canada.

I think it is very obvious, and I would say this to the member's friends in the Ontario Teachers' Federation—I know that his party keep in touch with them—they want their pensions to remain intact, all of those things. So I know the member is very familiar with some of the representations being made.

But I also happen to know that the teaching profession in this province vis-à-vis the teaching profession in the United States, where they are our competitors—if you take the state of California with Proposition 13; if you take several other states where they have constitutional

limitations on the actual amount of expenditures; if you go to the post-secondary area—and I am trying to give the member as much information as I can—where the University of Michigan, as an example, one of the better universities in that state, had a mid-term reduction imposed by the state government because of their constitutional limitation, as did Ohio state—I was down there for a cultural event and happened to chat with the presidents of both those institutions and they have done this. If you look at the federal service in the United States you will find they have had some measure of restriction, or there has been a lower rate of growth than in our own public service here at the federal level, and this is true of state levels of government right across the United States.

I think it would be very foolish of us to ignore the fact that this is one of the problems we face. It extends to the private sector as well, where, once again—I say this very objectively, and I think it is fair to say it—the settlements, the concessions, etc. have been of greater significance than here. If the member does not believe me he should ask Douglas Fraser and some others in the United States. Check their rate of inflation, check ours, and the honourable member will find that what I am saying probably is factually correct.

## PRICE CONTROLS

**Mr. Foulds:** Mr. Speaker, I have a new question, unfortunately to the Premier again. Because there have been a number of statements by his administration—today by the Premier himself, over the weekend in the press by two cabinet ministers—about price controls, can the Premier tell us, if his government is going to provide "the clear and resolute leadership" that the country and the province needs, can he tell us what action he is going to take to control prices in Ontario, if any action?

**Hon. Mr. Davis:** Mr. Speaker, I do not know whether Hansard will record the last two words of the honourable member's question. He said, "What action is the government going to take;" and then in a very low voice, "if any?"

**Mr. Foulds:** "If any action."

**Hon. Mr. Davis:** That's right. So here we are. The member is asking me what we are going to do, if we are going to do something. So he is acknowledging that the option is there in some aspects of this not to do anything. I am glad to

see that he senses this. I would say to the honourable member—

Interjections.

**Hon. Mr. Davis:** I am trying to be as helpful to the member as I can. I always try to help the member for Port Arthur.

I do not know that he can find a quote from me with respect to price controls. If one were contemplating that aspect of a control program, it becomes very complex in our sort of economy, where so much of price in this country is dictated by, first, the value of our dollar and, second, the fact that you are dealing with imported merchandise over which the Canadian consumer has relatively little, if any, control.

I really am prolonging this unnecessarily, I confess to the member, because my answer very simply is that I have already given it to the member: There has been no determination.

**Mr. Foulds:** Can the Premier tell us, aside from all the international factors and produce he refers to, if as a matter of policy he will, for example, instruct the Ontario Energy Board in its hearings at the present time on an application from Consumers' Gas to put a price freeze on increases above and beyond the actual costs, gas price increases and taxes that Consumers' Gas is required to pay? In other words, as a policy statement will he make a statement that there should be a freeze on the additional \$83 million that Consumers' Gas is trying to get?

**Hon. Mr. Davis:** I have to confess to the honourable member that I am intrigued by the tenor of his question. If I were to interpret it literally and objectively I would only say that the acting leader of that party has really mentally come around to supporting the whole concept of wage and price controls. Here he is asking me to say to the Ontario Energy Board, in advance of any decision, that we must control price, which logically indicates, then, that the New Democratic Party of this province is coming down on the side of wage and price controls. I am very intrigued.

2:40 p.m.

**Mr. Wrye:** Mr. Speaker, given the conclusion of his first answer, in which he said there had been no determination of any price controls, when the Premier and the cabinet are considering the possibility of wage controls this week, will he be widening his consideration to some kind of price controls in either the private or public sector? Is that a matter of consideration by his government?

**Hon. Mr. Davis:** Mr. Speaker, I am going back in history again in terms of the former program where, quite obviously, if one is dealing with this on a comprehensive basis one of the complex features is the interpretation placed by the Supreme Court of Canada as to the constitutional responsibility and the question that was raised as to whether a program of this nature could be introduced by the federal government.

I will not debate at this moment my views of that court decision, except to make the observation that in my view the situation at this moment is far more serious than it was back in 1974-75. I believe that personally.

I think it is fair to state that any time a wage program is considered on a more comprehensive basis, the question of price is also assessed. I think it is fair to state to the honourable member—I am sure that he has read this in his own home community and many others—that the marketplace in some respects, because of the present economic situation, is accommodating a good part of the concern with respect to price; not all of it, but some of it.

I think it is also fair to state that when one looks at the question of "price" as it is related to the public sector, it was the determination of the government of Canada, and it was a policy decision made by this government with respect to certain levels of senior public service, including members of this Legislature, that the six per cent limitation did not have as a component of that some commitment by others that our costs as members or public servants would be in any way controlled.

That is part of the federal approach even though they have this other program with respect to—I forget how they phrase it—administrative pricing or what have you. I pointed out to the member one of the areas where there is a limitation here.

**Mr. Foulds:** May I point out to the Premier that in a question I raised there was enough substance that he could have an interpretation, misguided as that may be, in contrast to the fluff in his statement about which no interpretation is possible.

May I also remind the Premier that the government, as a matter of policy, intervened in the price structure of Ontario Hydro in order to equalize or make more fair the prices between rural and urban hydro consumers.

**Mr. Boudria:** Are you against that?



**Mr. Foulds:** No, we were in favour of that, as were all members of the House.

Does the Premier not now feel that as a matter of policy the government has a right and an obligation to protect the consumers of other energy sources in Ontario, particularly gas, which is what I am asking about at the present time? Would he not, as a matter of policy, repudiate the \$18.30 administration charge which will result in \$83 million additional revenue for Consumers' Gas, which is completely unnecessary?

**Hon. Mr. Davis:** I do not purport to be as knowledgeable on the regulatory aspect of the gas industry as I am with respect to Ontario Hydro.

I would only say that in the preface to the member's question, where he suggested that my answer had less substance than his question, the only reason he made that observation is because he realized after asking the question that he had put his foot in it and he was modestly embarrassed. It may have been his subconscious at work, actually doing exactly what I suggested he was doing. I just put that to him as—

**Mr. Foulds:** Go ahead, answer the question.

**Hon. Mr. Davis:** Jimmy, I always know when you are trapped and you feel embarrassed. I can understand it.

I can only say to the member it is not as simplistic as singling out a particular source of energy. I am a consumer of Consumers' Gas, so I am not enthusiastic about seeing my gas rates go up. I am less than enthusiastic about that. However, I cannot indicate that the government is going to intervene. I think such a commitment on my part would be very premature.

#### SACRE-COEUR SCHOOL RENOVATIONS

**Mr. Boudria:** Mr. Speaker, I have a question for the Minister of Education. Is she aware of the report of the public institutions inspection panel of Prescott-Russell, in which a recommendation was made concerning the Sacré-Coeur school in Bourget?

If I can quote from that report, it says: "We consider the basement of the school to be extremely dangerous because of numerous electrical wires that are loose and hanging from the ceiling."

It concludes that portion of the school should be closed.

Is the minister aware of this report? Is she aware that the school is a death-trap for the

students? If so, what action does she plan to take?

**Hon. Miss Stephenson:** Mr. Speaker, as the member obviously knows, the provision of facilities for education at the elementary-secondary level is the responsibility of the local school board.

It is my understanding that there has been some concern expressed about this school by the local fire marshal since the year 1959. I am not aware that there has been any specific request, in my almost four years in the Ministry of Education, for improvement or renovation of this school.

However, I will tell the member that we did receive the report on June 22. It had been delivered directly to the eastern Ontario regional office, and there is a meeting of the regional office staff and with members of the board scheduled for July 13. After that date I will be able to answer much more clearly and succinctly the questions posed by the member.

**Mr. Boudria:** I wonder if the minister is also aware that the same report identified the Ste-Euphémie school in Casselman. I quote from the report again:

"The school should be condemned and the building demolished. We recommend that the Minister of Education take immediate action to have this done."

While it may be true that in the minister's original reply she stated that does not fall specifically within her purview but rather within that of the school boards, nevertheless the recommendations of the report are made directly to her or the ministry.

**Hon. Miss Stephenson:** I am aware that these exercises frequently do direct the recommendations directly to the minister; but I would also say to the member that I am aware of the problem in the same report, delivered on the same date to our ministry about that school.

I am also aware that within a very short distance there is probably sufficient accommodation to take care of all of the children currently attending Ste-Euphémie. Obviously, if the board is concerned about that school it can close it down and transfer those children almost immediately.

#### JOB CREATION

**Mr. Cooke:** Mr. Speaker, I have a question of the provincial Treasurer. He will be aware that there was a small article in the *Globe and Mail* on the weekend that indicated layoffs in June in

the city of Guelph were up 452 per cent as compared to June of 1981.

Is he now willing to admit to the Legislature that his predictions, and projections in the May 13 budget, of four per cent real growth in the last half of 1982 were completely off base? Is it not time that he should reassess his position on the budget and bring in a budget that has real job creation for cities like Guelph, Sault Ste. Marie, and many other cities in this province that are now feeling the real impact of this recession, which is really a depression to those communities in Ontario?

**Hon. F. S. Miller:** Mr. Speaker, I pointed out in the budget that the only kinds of jobs we could create in the short-term were obviously those in the public sector. That is why a fair amount of money was aimed at that sector and at the housing sector.

I am delighted that the federal budget has reinforced, to some degree, our housing initiatives. I would suggest to the member that until consumer buying and investor confidence return to the marketplace there is no other significant way of creating jobs.

During the summer we will have, I would say, roughly 75,000 to 100,000 jobs in the various government-sponsored initiatives. We still believe the upturn will occur as the fall goes on. Whether it will be four per cent now, as was predicted then, remains difficult to assess, but there is every reason to believe that the trend will be up and not down.

**Mr. Cooke:** Is the Treasurer telling the Legislature this afternoon that he is still standing by his predictions of a four per cent growth in the last half of this year? Secondly, is he aware that in the city of Guelph there are 1,303 people on welfare, and that his budget and work incentives programs will not do much to eliminate those large numbers on welfare in Guelph, which is a record? In other words, it will not do much to lower that cost to the city of Guelph.

Is he prepared to look again at short-term job creation that looks at the problem seriously, covers the total cost for the municipalities and creates the thousands of jobs needed in this province while we are waiting for the economy to turn around?

2:50 p.m.

**Hon. F. S. Miller:** It seems to me that Guelph has been one of the highest growth areas in the manufacturing sector over the last number of years. It happens it is the manufacturing sector which is under pressure now. The member

knows that. When the manufacturing sector is under pressure, those cities that have done very well and have highly skilled labour groups are affected the most. That is so evident I am sure the member can accept it.

It also happens those people with those skills are not the ones most likely to turn their hands to the kinds of short-term job creation efforts we have in society. I have no intention of making assistance to municipalities 100 per cent provincially sponsored because at that point I do not think any careful planning of the works will be used at all.

**Mr. Nixon:** Mr. Speaker, the Treasurer compliments the government of Canada in supporting the provincial initiative in support of housing with a parallel program. Does the minister not believe he should be doing essentially the same sort of thing in supporting the industry and labour adjustment program designations at the federal level, which so far have been reasonably successful in certain industrialized Ontario centres?

Does he not think it is the province's turn to support that initiative with a similar provincial program which would be possible under the new legislation before the House in the creation of the Ministry of Industry and Trade that the New Democratic Party has been holding up for the last few weeks?

**Hon. F. S. Miller:** Mr. Speaker, there is a common belief that governments can spend themselves out of these problems. I suggest to my colleague that sometimes we spend our way into these problems. I am afraid the greatest single shock of the federal budget last week was the cash requirement jumping some 275 per cent from its originally predicted level of \$6 billion. That has had a massive negative effect upon—

**Mr. Nixon:** Wait until your fall budget.

**Hon. F. S. Miller:** My budget? As somebody said in the Globe and Mail today—

**Hon. Miss Stephenson:** Orland French.

**Hon. F. S. Miller:** Once in a while, one does get a column one likes to quote. It says the issues we have been arguing about when compared to the problems at the federal level are relatively insignificant. I am thinking of the ones we have been discussing in terms of my budget. It says my budget looks like it is a very fiscally responsible one—I think those are the words I liked best in that column today—when compared to those at the federal level. Be that as it may, that is our government.



The member was talking about jobs and housing. As far as I can tell, we have had about 2,100 houses purchased since our program began, about 1,200 of those in Metro and about 900 outside Metro. It has been interesting to see how successful that program has been. With each house making some 2.2 man-years of jobs directly, probably another one to one and a half man-years of jobs indirectly in the furniture industry and others, we believe we are attacking a set of problems and that is one of the best ways to go about it. One simply cannot spend one's way out of those troubles.

#### ASSISTANCE TO BEEF PRODUCERS

**Mr. Ruston:** Mr. Speaker, I have a question for the Minister of Agriculture and Food. I want to note the minister's new figure in farming. One sort of slims down for the spring and summer rush. I guess that is what the minister is doing.

My question has to do with financial protection, a program for cattle sales. Is he giving any consideration to making the plan retroactive in some form? I realize retroactive legislation creates problems but, due to the extreme losses some farmers are suffering from the McIntyre bankruptcy, with one farmer as high as \$160,000, is there any possibility the minister could assist them in some way through retroactivity of this plan?

**Hon. Mr. Timbrell:** Mr. Speaker, during the course of the two to three weeks of discussions with the various elements of the beef industry that led to the announcement I made here about six weeks ago, I thought about that question very seriously, recognizing there would be some individuals who would come out of certain business dealings in a very bad position.

I regret to say I had to conclude there is no point at which one could cut off any retroactivity and be fair to all concerned. Obviously, no matter what point one would choose, someone would fall outside of it. Therefore, I had to conclude the best advice I could give to the cabinet would be for a program to take effect August 1, and for which applications are in the mail now to all cattle dealers in the province, for licensing as of that date, without retroactivity.

**Mr. Speaker:** Supplementary, the member for York South.

**Mr. Conway:** Last question?

**Mr. MacDonald:** Perhaps. Who knows? Don't be jealous.

**Mr. Nixon:** Listen, Donald, don't let them do it to you.

**Mr. Speaker:** Order.

**Hon. Mr. Grossman:** Is this goodbye?

**Mr. MacDonald:** Can you keep the Minister of Health (Mr. Grossman) quiet, Mr. Speaker?

Interjections.

**Mr. Speaker:** Order.

**Mr. MacDonald:** If I want to say goodbye, I will say it in my own good time, when I wish.

Mr. Speaker, to the Minister of Agriculture and Food: My information is that a very great number of losses have been suffered by farmers because of bankruptcies of this nature across the province over the last year or so.

Has the Ontario Ministry of Agriculture and Food been keeping a running account of how many countless millions of dollars, apart from in the McIntyre case, have been lost in the last year or two as a result of bankruptcies and of farmers not getting paid for produce which they have marketed?

**Hon. Mr. Timbrell:** To my knowledge, we would have no way of keeping track. Most of the kinds of deals that would concern the member and would concern me would not show up in bankruptcies, and certainly would not be registered anywhere. Even in actual bankruptcies, the details are not filed in such a way that I know of so that we could keep track of that sort of matter.

#### JOB CREATION

**Mr. Breagh:** In the absence of the Treasurer (Mr. F. S. Miller), I would like to put this question to the Minister of Revenue: Apart from the Treasurer's personal opinion, does the government have the slightest shred of evidence to establish that all of these groups appearing before the committee, which are projecting substantial job losses as the ramifications of the new retail sales tax, are right or wrong? Has the government any evidence, any studies? Has there been any consideration in a formal way of the negative impact of that particular bill?

**Hon. Mr. Ashe:** Mr. Speaker, I think that question has been asked on many occasions, both of the Premier (Mr. Davis) and of the Treasurer. My answer can be no different than theirs.

**Mr. Wrye:** Just give us your personal opinion.

**Hon. Mr. Ashe:** I will give you my personal opinion at the same time.

**Hon. Mr. Davis:** Which happens to be the same.

**Hon. Mr. Ashe:** That is right. It happens to be the same.

**Hon. Mr. Davis:** Don't you people provoke us about different opinions over there.

**Hon. Mr. Ashe:** Yes, that is for sure.

**Mr. Speaker:** Order. Back to the question now, please.

**Hon. Mr. Ashe:** Those kinds of studies do not exist. I think it has been fairly well stated in front of the committee in the first three days of the hearings—and I am sure there will be nothing different in the next couple of days—that most of the statistics being brought forth by the particular representations are not backed by anything other than a worst-case scenario.

The Treasurer touched upon it very appropriately a while ago. He indicated that as the committee gets into dialogue with those making the representations, in most cases the members find there is an acknowledgement on the part of the person presenting his case that, yes, that sector was down earlier in the year, or yes, it is away down from last year, and there is nothing whatsoever to tie it in with the enactment of the May 13 budget or anything that has happened since.

**Mr. Breagh:** I would like to redirect to the Treasurer, if I may.

**Mr. Speaker:** No, you cannot redirect it.

3 p.m.

**Mr. Breagh:** Then I will put it to the Minister of Revenue. Since we now have a clear admission that this was an entire aspect which he did not even study, and since we are in a recessionary period when these jobs are important to a great many people and it is now clear from testimony before the committee that he is putting marginal small businesses over the edge, is it not now time that he reconsiders, that he does those studies and in the interim he withdraws this particular bill?

**Hon. Mr. Ashe:** Mr. Speaker, obviously the honourable member has not looked at the budget at all in its entirety. He has not looked at all of the job creation initiatives within the budget. He obviously has not looked at the two-year tax holiday for small corporations that have been lauded by all parts of the economy within Ontario. In fact, the conclusions he draws are erroneous and not based on fact.

#### TRAINING OF MIDWIVES

**Mr. Breithaupt:** Mr. Speaker, I have a ques-

tion to the Minister of Health. Following a recent coroner's inquest into the death of a baby whose parents intended to have a home birth with the help of lay midwives, is the minister aware of the recommendation that midwives in Ontario should be trained and licensed in a program set up by doctors and nurses and under their overview?

**Hon. Mr. Grossman:** Yes we are, Mr. Speaker. We are aware of those recommendations and that will be the subject of some discussions we intend to have over the next couple of months with various parts of the medical profession, including the College of Physicians and Surgeons of Ontario and the Ontario Medical Association, to get their views on the entire situation.

**Mr. Breithaupt:** Since there is a draft policy on this matter by the College of Nurses of Ontario and since, as the minister is aware, the College of Physicians and Surgeons of Ontario is setting up a task force to develop standards with respect to nonhospital births, can the minister move to co-ordinate the views of those interested in this kind of medical service so that we will have a clear procedure in Ontario which will be known to all and which will bring into better practice the situation that has just grown up over the years but now apparently needs to be fitted in to the medical system in a much more precise way?

**Hon. Mr. Grossman:** Yes, some clarification of the role and practices involved, and a general clarification for the public so they will know just what is and what is not expected in those circumstances would be appropriate and that is the end goal of our co-ordinating activities over the next couple of months with, as I say, all parts of the medical profession, including the studies the member has referred to, with a view to bring some clarity to the situation.

I think the—

**Mr. Nixon:** You look so healthy and he looks so worried.

**Hon. Mr. Grossman:** Your leader had a pretty good tan himself.

That is the object of what we are trying to accomplish over the next couple of months with a view to making sure those kinds of circumstances are clarified.

#### RESIDENTIAL TENANCY COMMISSION GUIDELINES

**Mr. Philip:** Mr. Speaker, I have a question to



the Minister of Consumer and Commercial Relations. Is the minister aware of certain recent newspaper advertisements which read as follows: "Rent Review? Expert consultation and representation by former senior members of the Residential Tenancy Commission. SPAR Property Consultants Ltd., Toronto"? It lists the names of those former commissioners.

If the minister is aware of this, would he not agree that in this particular instance the voluntary guidelines or agreements that the currently serving rent review officers have agreed to are not operative and more action is needed by this ministry to deal with this problem?

**Hon. Mr. Elgie:** No, Mr. Speaker, I was not aware of the particular ad the member refers to, although I was aware there is a firm operating and the firm consists of people who were previous employees of or commissioners with the rent review commission.

I am surprised the member did not comment on the fact that the government had recognized there might be a perception of conflict of interest at the very least and had addressed that, first of all through a voluntary agreement that has now been signed by all of the existing commissioners. Second, all new commissioners, be they full-time or part-time, have as part of their order in council for appointment a specific notation saying they will not appear before that commission for a period of time after their employment terminates.

**Mr. Philip:** With respect, my initial question did recognize that and in fact I was indicating to the minister that this in itself did not deal with this specific kind of problem.

Would the minister now be prepared to advise the Residential Tenancy Commission that in his opinion it should not hear cases in which one of the advocates appearing is a former rent review officer? Failing that, on a longer-term basis, would he at least indicate that conflict of interest legislation will be forthcoming?

**Hon. Mr. Elgie:** Let us clarify a couple of points. The member talked about a voluntary agreement. What I told him is that the government has gone beyond that and it is now part of every order in council. There is nothing voluntary about it. For any forthcoming and recent appointments, it is part of the order in council. However, those people acting as consultants are not being accused of any illegal act or wrongdoing. I have not heard the member say they are acting in any illegal way.

We have recognized that the perception of a conflict of interest is an important one in the eyes of those appearing before the commission and we have addressed it; but in addressing it I do not think the member would expect it to be retroactive, nor do I think it can be.

#### KOZAK TREATMENT PROGRAM

**Ms. Copps:** Mr. Speaker, I have a question for the Minister of Health. Two months ago the minister told the Legislature that treatment by the Kozak method for the so-called "Crisco Kid" problem would be ready in Ontario within the next few weeks. He said he hoped Dr. Kozak would participate but "the program is in place whether he comes here or not." Two weeks ago in the press, the minister was quoted as saying the program would be operational by the end of August. Then he was quoted as saying that emergency cases are already being accepted.

Is Kozak treatment available in Ontario today and, if it is, why has the minister made no effort to publicize it among doctors across Ontario who would be interested in recommending their patients for this type of treatment?

**Hon. Mr. Grossman:** Mr. Speaker, to confirm what I said previously, the treatment will be available on a permanent and full-time basis commencing August 1. Right now it is available on an emergency basis; i.e. as an alternative to having to fly to West Germany, anyone who needs the treatment will get that treatment upon request at any of three hospitals, but chiefly at the Hospital for Sick Children.

Why have we not made it public? I cannot believe there is a treatment that is better known throughout Ontario than this particular treatment, because of the publicity it quite properly received. The fact is that the head of the department at the Hospital for Sick Children is in a position to notify all those who ordinarily would refer cases to that hospital and would come in contact with those cases. I cannot believe for a second there are very many doctors in this province who are not aware of the availability of that treatment or where it can be had in Ontario. If there are, I will certainly draw that to Dr. Ramsay's attention, because the program is operational.

#### PETITIONS

##### RETAIL SALES TAX

**Mr. Cooke:** Mr. Speaker, I have two petitions, one of which states:

"We consumers and providers of food services strongly oppose the extension of the seven per cent sales tax recently imposed on food and drink. We further protest the sales tax on sanitary items." There are a few hundred names on that one.

The names on the other one can be added to the 5,000 names that have been already been tabled. It states:

"To the Lieutenant Governor in Council: We, the undersigned, oppose the extension of the sales tax introduced by the Ontario government in the May 13, 1982, budget."

#### TEACHER-BOARD NEGOTIATIONS

**Mr. Breaugh:** Mr. Speaker, I have three petitions today.

The first is from teachers at the Southwood Park Public School in Ajax, who are concerned about Bill 127. It says:

"Concerns are that it infringes on our collective bargaining rights, it interferes with the school board's ability to deal with local problems, and there is no need for an amendment because Bill 100 has dealt with negotiations adequately."

The petition is signed by 65 citizens.

#### GRANTING OF DEGREES

**Mr. Breaugh:** The second petition is from the members of the Zion Christian Reformed Church of Oshawa, who are strongly protesting the implications of Bill 137, which, if it becomes law, will make it illegal for the Institute for Christian Studies to award master of philosophy degrees to its graduating students.

"We urge you and your government to refer this bill to a committee of the Legislature or to amend it in such a way that the institute may be exempt from this proposed legislation and continue its work as before."

It is signed by 51 members of that church.

#### TAX ON MEALS

**Mr. Breaugh:** The final petition is a petition protesting Bill 115's imposition of a retail sales tax on food items. This petition was gathered by Mrs. Jane Wilson in Oshawa and is signed by 627 people.

3:10 p.m.

#### RETAIL SALES TAX

**Mr. Boudria:** Mr. Speaker, I have a petition

signed by 268 people objecting to the sales tax changes in the new Ontario budget. It reads:

"The budget that was brought down this week by Frank Miller is an insult to the Canadian people. It is time to stop reaching into the pockets of the working people. Why should the working man or woman be taxed because of the ineptitude of the budget minister, Frank Miller? The cost of the Suncor deal and the executive jet that is used for government joyriding are just two examples of money wasted by the Tory government. This petition is being circulated in the hopes of better treatment by the PC government."

#### INTRODUCTION OF BILLS

##### LEGISLATIVE ASSEMBLY AMENDMENT ACT

Hon. Mr. Welch moved, seconded by Hon. Mr. Gregory, first reading of Bill 168, An Act to amend the Legislative Assembly Act.

Motion agreed to.

**Hon. Mr. Welch:** Mr. Speaker, by the terms of this bill the annual indemnity of members of the assembly is increased from \$30,000 to \$31,800 and the annual allowance for expenses of members of the assembly is increased from \$10,000 to \$10,600.

##### MORTGAGE PAYMENTS MORATORIUM ACT

Mr. Laughren moved, seconded by Mr. MacKenzie, first reading of Bill 169, An Act to provide for a Moratorium on Mortgage Payments for Persons Affected by an Interruption of Employment.

Motion agreed to.

**Mr. Laughren:** Mr. Speaker, the purpose of the bill is to provide for a moratorium on the payment of principal and interest amounts secured by mortgages on the residences of persons who suffer an interruption of employment arising from a legal strike, lockout or layoff. The bill also protects the mortgager from mortgage default proceedings during the moratorium period. It establishes the principle that homes belong to people and not banks.

##### ANSWERS TO QUESTIONS ON NOTICE PAPER

**Hon. Mr. Gregory:** Mr. Speaker, prior to the orders of the day I would like to table the answers to questions 177, 195, 221 and 223 standing on the Notice Paper [see Hansard for Thursday evening, July 8].



## RESPONSE TO WRITTEN QUESTIONS

**Mr. Wrye:** Mr. Speaker, I wish to draw to the attention of the acting government House leader that in an interim answer to my question number 157 given on June 3, 1982, the indication was that the information would be available mid-June 1982. Since it is now July 5, 1982, and unless I caught it wrong the answer was not tabled today, may I ask if we could get the earliest possible action on getting an answer which is now 20 or 25 days overdue?

**Mr. Speaker :** I am sure the government House leader will take it up with the appropriate person.

**Hon. Mr. Gregory:** Mr. Speaker, we are trying to follow up on all of these questions. I have a list of some and dates when they will be brought forward. I do not have a date on that yet, but we will be following it up as quickly as possible.

## ORDERS OF THE DAY

House in committee of the whole.

## EDUCATION AMENDMENT ACT

Consideration of Bill 46, An Act to amend the Education Act.

**Mr. Dean:** Mr. Chairman, we are proposing to bring in four amendments during the course of the clause-by-clause consideration. The first is to subsection 1(5), introducing a simpler wording for the requirement of the continuation for school jurisdictions and boards. The second is to subsection 3(5), making it clear that the school closure guidelines are for the guidance of the board in its planning to close whatever schools it decides to close. The third is an amendment to section 12 regarding visa students, to provide an additional exemption from the rule. The fourth is to section 57 regarding rateable property, which we are proposing be deleted.

These will be brought in at the appropriate time.

**Mr. Chairman:** Thank you. I will leave it to your good judgement to jump up when you want the appropriate amendments put forward.

On section 1:

**Mr. Nixon:** Mr. Chairman, is this not where Indian bands are referred to?

**Mr. Dean:** Sorry. I should have said section 1(3), Mr. Chairman.

**Mr. Nixon:** Yes, 1(1). The reference to Indian bands is spelled out. I wonder if the minister's

spokesperson might just make it clear what the intent is in the change in the word. As I understand it, this is simply to clarify the involvement of representatives of Indian communities on school boards. Is that correct?

**Mr. Dean:** Yes, that is true; and to make it clear that these are the people with whom the ministry can now make agreements for the enrolment of non-Indian pupils.

**Mr. Chairman:** Mr. Dean moves that subsection 1(5) of the act, as enacted by subsection 1(3) of the bill, be struck out and the following substituted therefor:

"(5) Until altered under the authority of this or any other act, all school jurisdictions and boards, including the names of the boards as they existed on July 31, 1981, are continued subject to the provisions of this act."

**Mr. Dean:** It does the same thing as the printed amendment, but it says it more simply.

**Mr. Grande:** Mr. Chairman, I am sorry to impose on you, but I do not have a copy of that amendment.

**Mr. Chairman:** We will get a copy to you.

**Mr. Grande:** Thank you very much.

**Mr. Dean:** I understood that copies had been distributed by someone.

**Mr. Nixon:** On a point of order, Mr. Chairman: The page is just bringing the copies now. I might suggest to the people assisting the minister's spokesman that the other amendments might come forward as well, not just when the minister's spokesman rises.

3:20 p.m.

**Mr. Chairman:** Right. I will allow the member for Oakwood (Mr. Grande) to review the proposed amendment.

**Mr. Nixon:** If I may, the change in the wording simply continues the existing situation being subject to the provisions of this amendment. Is that all it does?

**Mr. Chairman:** Are you asking me?

**Mr. Dean:** Yes.

**Mr. Nixon:** No; he nodded to indicate no?

**Mr. Chairman:** He nodded yes.

**Mr. Grande:** I have no problem with this amendment, so we can continue.

Motion agreed to.

Section 1, as amended, agreed to.

Section 2 agreed to.

On section 3:

**Mr. Dean:** Mr. Chairman, I have an amendment to subsection 3(5).

**Mr. Chairman:** I tell you it is a lawyer's nightmare. I wonder how the member for Brant-Oxford-Norfolk would read that?

**Mr. Dean:** The first amendment that I have is to subsection 3(5).

**Mr. Sweeney:** Mr. Chairman, is it correct that we are looking at 3(5)?

**Mr. Chairman:** Yes; I thought it was subsection 3(3).

**Mr. Sweeney:** It appears to me to simply be a rewording of clause (z).

**Mr. Chairman:** Yes.

**Mr. Grande:** On a point of order, Mr. Chairman: I also have an amendment to subsection 3(5). I am wondering in what order they are to be put. If we get involved in debate on the government amendment and we are going to be stacking or whatever we are going to do with these sections, then in effect there is no way I can put an amendment on the table. I want some direction from you.

**Mr. Chairman:** I had recognized the member for Wentworth (Mr. Dean) first but I am sure, in amicable parliamentary tradition, if you indicate that it would make your proposed amendment difficult to be brought forward the member for Wentworth would allow you to bring forward your amendment first. Are you agreeable to that?

**Mr. Dean:** If it is understood that what the member for Oakwood is moving does not preclude—

**Mr. Chairman:** No, of course not.

**Mr. Grande:** I move that subsection 3(5) of the bill be amended by striking out all the words after "guidelines" in the second line of clause 2 and substituting therefor"—

**Mr. Chairman:** Order. Do we have copies of this now?

**Mr. Grande:** I did send you a copy of the amendment. I do not know if it got to you. I also provided a copy to the parliamentary assistant and the Liberal critic last week.

**Mr. Chairman:** Let us just hold it for a minute. No one seems to have anything, so maybe we should get some copies made.

**Mr. Nixon:** It is only a few words.

**Mr. Chairman:** Read what you have and they will get us copies.

**Mr. Grande:** I move that subsection 3(5) of the bill be amended by striking out all the words

after "guidelines" in the second line of clause 2, and substituting therefor "to encourage small community schools to remain open."

**Mr. Sweeney:** I think he means clause (z) rather than 2, but I am not sure. Is it (z) or 2? The wording in here is (z). I am just trying to be sure I understand what he is doing.

**Mr. Grande:** The only clause that subsection 3(5) contains is clause (z) and therefore that is the clause that is being amended.

I read carefully the response from the parliamentary assistant on the question of school closures on second reading of the bill. However, let me say that the powers the Minister of Education (Miss Stephenson) wants in this act go beyond the establishing of guidelines.

I would like once again to put on the record that the Minister of Education for the past three to four years has had guidelines by which the school boards have been asked to develop school closure policies. As I understand it, by May of this year all the school boards across Ontario had already responded to those particular memoranda the Ministry of Education issued.

It seems to me that the minister or the ministry should not require this new power to issue the guidelines. Therefore, this power makes me and this party very nervous indeed.

I do not want to go into the details again as we went through them on second reading but basically, even though the boards ultimately will decide whether a school will be closed or not, none the less the Ministry of Education issues criteria and I am nervous on this topic, because most of the research the ministry has done in this area seems to point to the fact that any elementary school that has an enrolment of 200 students or less becomes very expensive to run in terms of cost effectiveness.

Therefore, my nervousness is that if the ministry decides 200 is the cutoff point, all the ministry will have to do once it has this power in place is to say to the school boards that one of the criteria will be that when a school goes below 200 that school will be closed.

Of course, the school board will make the determination to close it, but that is not the issue. The issue is that it is a power the Ministry of Education has to force school boards to close schools.

The amendment the parliamentary assistant has made in this clause seems to me to say nothing to that fundamental problem. Instead, it just puts forward that the school board will be deciding the school closure. I never misunderstood it to mean that the Ministry of Education



would say, "That school is closed whether the school board wants it or not." The semblance of democracy is still maintained, even though this ominous power the minister wants in this legislation is all-encompassing.

None the less, I suggest the Ministry of Education should be using criteria to encourage boards to keep open small community schools in this province rather than to close them down. My amendment goes to the heart of the matter and says that. That is a basic change in philosophy. I hope the parliamentary assistant and the Liberal Party—which represents, by the way, a good portion of the areas in southwestern Ontario where busing is going to be a definite problem when community schools are closed—will support this amendment.

**3:30 p.m.**

**Mr. Dean:** Mr. Chairman, I would like to say again, without being unduly repetitious, as I remarked on second reading, that neither the minister nor the ministry seeks or wants any power to close schools. The member for Oakwood has made an oblique reference to this. I want to underline again that what this amendment provides is for the issuing of guidelines to assist boards in making their decisions as to whether a school should remain open or be closed.

In my experience, as I think I recounted during second reading, I have noted that boards do take into account many other factors in addition to the economic one when considering whether a school should remain open or whether a particular school in preference to another should be considered for closure.

The intention of this section of the bill, which is more clearly spelled out in the amendment I propose to present, is that the boards themselves must take account of all the relevant factors in the community before taking a decision to close a school. These are guidelines; they are not musts. There is no intention by the minister or the ministry to have it made automatic that if a school falls below a certain level it is to be closed. There is absolutely no intention of that.

**Mr. Sweeney:** Mr. Chairman, I have no difficulty with the explanation the member for Oakwood just gave, that the intention of his amendment is to have the ministry encourage school boards to keep schools open. I think we certainly should encourage them, but that is not what his amendment says. If I follow it correctly his amendment says, if we take out the words after "guidelines" in clause (z) and add "and

maintain schools open," that it would be impossible ever to close a school in Ontario; that is what his amendment says.

I would like to continue speaking, but if the member wants to clarify it he is free to do so.

**Mr. Grande:** I think the member for Kitchener-Wilmot (Mr. Sweeney) is looking at subsection 40(2) as opposed to subsection 3(5).

**Mr. Sweeney:** The member is right. I thank him. I did not realize there were two subsections dealing with this matter.

I have no difficulty with a statement which says we should encourage boards to keep schools open. That is one point. At the same time, however, I have stated in question period and have argued in debates with the minister that there need to be guidelines given by the ministry to boards as to how they proceed if they decide a school should be closed.

The minister has made it very clear, with respect to local autonomy, that the local board is the one that should make the decision. I agree with that. On the other hand, there have been a number of cases where boards have acted in a way that their own supporters have felt to be quite inappropriate and that I, as the former critic for our party, have felt to be inappropriate. Therefore, I have long supported and continue to support the need for the minister to issue guidelines to the boards as to how they must proceed.

Those guidelines must include the way the local community will be taken into consideration and the degree to which it will be able to make input. They must include the amount of time people will be given as to when this is likely to happen. They will have to look at the various impacts on the local community. When talking about a community in an isolated area, as in the case of the Schreiber school that the member brought to the minister's attention, it is not just a case of numbers, there is a community factor involved. That has to be taken into consideration for the guidelines. We must look at the economic impacts. There are some boards that are closing schools but they are ending up spending more money in transportation than they would spend if they kept the schools open. All those factors have to be taken into consideration.

Once those factors have been taken into consideration, the local board must have the right to make that decision. This amendment, or one very much like it, has to stand. If the member would like to add his amendment to that to encourage schools to be kept open,

rather than to replace it, I could support it, but I cannot support replacing it.

I believe there must be an amendment somewhere that would require the ministry to issue guidelines to boards. Those guidelines would indicate the way in which a board would proceed in implementing its decision—as a matter of fact, the way in which a board would proceed before it even makes a decision. Once the decision has been made, assuming the board followed the guidelines, then the guidelines would state how to implement that procedure.

I and my party will have to support the amendment of the minister as it now stands. If the member for Oakwood would like to incorporate his principle to encourage schools to remain open, I would be prepared to support that as well, but not if it is in place of the other. I cannot do that.

**Mr. Grande:** Mr. Chairman, the Liberal critic seems to be suggesting that the Ministry of Education since 1979 has not issued memoranda, as it has done in December 1979 and in 1981, requiring school boards to produce school closure policies. The school boards have done so. Therefore, I do not understand his preoccupation. The question is why the Ministry of Education requires this power at this time if it was able to do all those things the member is talking about without having the power to do them in the Education Act; that is why this power is very suspect.

I point out that the Association of Large School Boards in Ontario, in opposing subsection 3(5) of the bill concerning clause 8(1)(z), does mention that the association cannot support “the concept of provincial criteria.” I had better go back and read the whole thing, otherwise it does not make sense.

“The majority of the member boards of the association support the concept of each school board developing its own school closure policy. Indeed, most school boards would welcome guidelines from the ministry which would facilitate the development of relatively common policies that can be adapted successfully to local needs. The association cannot support, however, the concept of provincial criteria which are established by the government and imposed on school boards. Individual school boards are in the best position to determine what criteria should be included in a school closure policy, and local autonomy and accountability in this regard should not be eroded.”

Therefore, I say to the Liberal critic, I am not in disagreement with the establishing of guide-

lines. The Ministry of Education has been able to accomplish that since 1979 without requiring this power in the Education Act. The question is why the ministry needs this power at this time if not to impose and force school closures on all boards of education in the province. With that, I rest the case.

**3:40 p.m.**

**Ms. Bryden:** Mr. Chairman, I also support this amendment, mainly because I think it would indicate a change of philosophy. That is what we are seeking in this new bill. The change of philosophy would be that local boards would be encouraged to try to find alternative uses for schools in areas of declining enrolment. That would be the first step taken when any school's enrolment drops below a certain level.

This amendment would put the onus on the school board and the ministry to aim at looking at the alternatives first to see how this community resource could be retained or worked into the community. It could possibly provide day care, senior citizen programs or skills training at night, as well as school training. There are other things to look at besides the bottom line of how many pupils there are and what the cost of operating the school is. This amendment would force all parties to look at the alternatives.

This amendment does not prevent the closing of schools, it simply changes the focus. If it is found there are not suitable alternative uses or that it is not feasible to maintain a school after all the options have been looked at, it would then be possible to close a school, as it has been in the past.

**Mr. Dean:** Mr. Chairman, speaking directly to the amendment proposed by the member for Oakwood, there is nothing anywhere in the regulations now which discourages keeping small community schools open. There is no need to state the obvious, that schools stay open unless they are closed. The purpose of the whole section in this part of the amendment to the act, in this part of the bill, is to strengthen the responsibility of the boards to look comprehensively at all the factors involved before coming to a decision to close a school.

The amendment before us from the member for Oakwood really does not accomplish that at all. As the member for Kitchener-Wilmot has said, it appears to ignore the intent of the amendment that is printed and of the further amendment I wish to propose.

It is true the ministry has issued guidelines for this in the past year or so, but without an



absolutely clear, specific legislative mandate that there is authority to do that. In the first place, the amendment is in this bill to make it perfectly clear that the minister does have this authority. The amendment I am proposing would strengthen that even further. It makes it clear that the minister is not deciding to close but is determining that boards should follow certain procedures before they, in their turn, make the decision. The decision will certainly remain there, with the local board. I am opposed to the amendment before us.

**Mr. Sweeney:** Mr. Chairman, I wonder if I may ask for clarification to be sure I fully appreciate what the ministry is attempting to accomplish here.

It is my understanding the amendment as printed on page 3 of the bill was objected to by some school boards across the province because it looked as if the amendment was saying, and some people interpreted it as saying, that the guidelines would be guidelines on how to close a school and on how to go about doing it, whereas the new amendment has guidelines for boards as to how they set up the procedures to do it. That is what I understand is the big difference.

I have discussed this with some of the boards and, once they understood that distinction, they withdrew their objection. I wonder whether the parliamentary assistant could make clear if that really is the difference. The printed version in the bill says, "guidelines respecting the closing of schools," whereas the amendment says, "guidelines and requiring the boards to develop policies."

That is what I have been told is the essential difference. If that is not what it means, I would like clarification.

**Mr. Dean:** Mr. Chairman, that is precisely it; and it has been brought about by the kind of concern the member for Kitchener-Wilmot has expressed. These concerns were made known to him as they were made known to us. We want to clarify it entirely. We do not think it changes the original notion; it makes it very clear that the ministry is not in the business of closing schools but is in the business of requiring boards to very clearly set out what procedures and policies they are going to follow in closing schools before they close schools.

**Mr. Chairman:** All those in favour of Mr. Grande's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

**Mr. Chairman:** Mr. Dean moves that clause 8(1)(z) of the act, as set out in subsection 3(5) of the bill, be struck out and the following substituted therefor:

"(z) In respect of schools under the jurisdiction of a board, issue guidelines respecting the closing of schools and require that boards develop policies therefrom with respect to procedures to be followed prior to the closing of a school by decision of the board."

**Mr. Grande:** I have one very simple question, Mr. Chairman. Can the parliamentary assistant show to me how this policy differs from what has happened for the past three to four years? What is the difference?

**Mr. Dean:** Mr. Chairman, I do not believe there is any difference between this and what has been happening. As I think I mentioned a moment ago, it is to make sure there is the specific and unambiguous authority in the act for the minister to issue the guidelines. It makes it clear that the guidelines are to be used by the board in establishing its own policies and procedures prior to making a decision.

**Mr. Chairman:** All those in favour of Mr. Dean's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

Section 3, as amended, agreed to.

On section 4:

**Mr. Chairman:** Mr. Grande moves that subsection 4(4) of the bill be struck out.

**Mr. Grande:** Mr. Chairman, a very simple reason why this subsection should be struck out is that it is one of those new powers the minister and the Ministry of Education say they require in this act.

In taking a look at the explanation the parliamentary assistant gave for this particular section during second reading debate, it does not seem to me that one tries to kill a fly with a sledgehammer. That is exactly what is happening with this. It is a power the ministry wants, as far as I am concerned, with which it could close particular programs within the school system and force the school system not to get involved in certain programs if they are or appear to be in competition with the private sector.

3:50 p.m.

I suggest that the reason the public education system was developed in this province, and, indeed, all over the world, was that the private sector was not interested in delivering educa-

tional services to our students. Another reason was that we wanted to make sure every student and adult in our society met a minimum requirement in literacy, numeracy, etc. Of course, the affordability principle is there.

But the reason I want this proposed amendment to be struck out is that, in effect, it will stop the public education system from getting involved in day care; and if it does, the Ministry of Education can say, "Sorry, but that will compete with the private sector, so you are not allowed." It will stop the public sector with the school closure power the ministry now has been given by themselves and the Liberals together.

In effect, the school board would be prevented even from buying buses to bus students to another school, because the ministry could turn around and say, "The buying of buses would conflict with the private transportation facilities in this province; therefore, you will not be able to bus your own students."

It would conflict with the delivery of special education services, given the fact that in the private sector, as I mentioned before, there are 61 schools in the province delivering special education services, and they are private institutions operating at a very high price.

What I am saying is that this power could be misused by the Ministry of Education—not necessarily by the minister but by the ministry; and not necessarily at this time but at a future time. Once again, I get very nervous when a government requires powers for those very simple, superficial examples the parliamentary assistant gave us in the windup of second reading.

I feel so strongly about this area that neither I nor this party is willing to give the government this power. Basically when this government says, "Trust us; we will do good," this party does not trust it.

**Mr. Dean:** Mr. Chairman, all I can do, as the member for Oakwood has done in repeating the criticism he made earlier, is to repeat my earlier response that the purpose of the section is to do just what it says. It is to prevent boards from, if I can use the expression, "going overboard" in bringing too much of the work place into the school system, if that is possible, and thereby ending up competing with the very businesses and individuals who are supporting the school system by their own businesses.

That is the purpose of it; it is not to get out into these wild flights of imagination, saying the school board would be unable to transport its own pupils. It is the most ridiculous rubbish to

say that; there is no such intention whatever. It would never be used by anybody in his right mind, and I think we have people in their right minds in the school system, to prohibit a board from arranging its own special education classes or contracting for them. As a matter of fact, there is another section in the act, which I believe the member well knows, that requires boards to provide special education programs by 1985.

The reasons that have been advanced for deleting this section do not hold water; the amendment should be defeated.

**Mr. Sweeney:** Could I ask a question once again, please, Mr. Chairman? Why is it necessary to have the words "or may be" in the third line? They seem to be anticipating something, and I am not quite sure what that is. I can see the possibility of a direct conflict actually existing, but what is being anticipated? Is the bill saying that someone is going to say in advance, "Some day later on some section of the private sector may get into that; therefore, you cannot do anything"? Quite frankly, it seems a little dicey.

**Mr. Dean:** I think the explanation is that if it is proposed that a certain program be entered into, someone could say: "All right, we have entered into it. Now we see it is in competition." If we see beforehand that it may be in competition, this provides the authority to stop that program from being entered into. It is an attempt to see beforehand. If the section only said "that is in competition," that would mean it would have to be actually in existence to indicate that it was in competition. It is an attempt to give the boards an opportunity to look forward and ask, "Will this be in competition with private industry?"

Probably the members were here when I mentioned two typical examples. There was a market garden, which a school developed with good intentions but which turned out to be selling produce at reduced rates in competition with growers. Another was a ceramics class which did the same thing. The "may be" is just to give the authority to look forward and say, "Will this be in competition?" If so, "Don't do it."

**Mr. Chairman:** Actually, I think the member for Kitchener-Wilmot is talking to the section. Why don't we see how the amendment goes?

**Mr. Sweeney:** I am sorry.

**Mr. Chairman:** Just for the benefit of the guests in the public gallery, we are dealing with Bill 46, An Act to amend the Education Act. We



have a proposed amendment by the member for Oakwood to strike out subsection 4(4).

All those in favour of the proposed amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

**Mr. Sweeney:** Mr. Chairman, the reason I raised the question in that way was that the parliamentary assistant will be aware of the fact that just recently I completed a three-month tour around the province looking at the whole question of youth employment.

One of the points that came up time and time again was the necessary relationship between schools and businesses with respect to certain parts of the training program. There are situations where the business sector is the most appropriate place for some of the training to take place, even though the student is still enrolled in a secondary school in most of the cases we referred to.

On the other hand, there were situations where the business people said, "We either cannot, shall not or have no intention to get involved in that." In such a case, the school might have to get into implementing a training program that might appear to be in competition with private industry, but if private industry simply will not do it, will not pick up its share of that training program, then the school could be in a very awkward situation indeed. That is why this "or may be" really bothers me.

I can see the potential implications, but I have real concern about those three words. I can see where there could be abuse, where a board in all good faith would take certain steps because it had indications from its local community that nobody else was going to do that; then, after it goes ahead and does it, finds out somebody will say, "That's a good idea, I think I will form a private company;" and the board will be out in the cold.

I am not sure whether it is the intent of the ministry, the officials of the ministry or even the draftsmen of this legislation that this should happen, but after spending three months travelling around this province I can see where it could happen. I am wondering whether the minister's officials have taken that factor into consideration.

**Mr. Dean:** Mr. Chairman, the only response I can make is that I am sure no regulation would ever be made that would prohibit the kind of activity the member for Kitchener-Wilmot has

explained, for the simple reason that it would not be in competition with anything. If it were the only possible—

**Mr. Sweeney:** It may not be at the moment, but later on it could be.

**4 p.m.**

**Mr. Dean:** Later on? I guess nothing is etched in stone, is it?

**Mr. Nixon:** The 10 commandments are.

**Mr. Dean:** I'm sorry; nothing except the 10 commandments is etched in stone. Some people would contend there were really 20 but that 10 were lost in the translation.

Since nothing except that very precious document is etched in stone, I would think any board or ministry would look at the circumstances of the day with regard to any program or activity that was alleged to be in conflict with private sector activity.

**Mr. Chairman:** Shall subsection 4(4) carry?

All those in favour will please say "aye".

All those opposed will please say "nay".

In my opinion the ayes have it.

Section 4 agreed to.

Sections 5 to 11, inclusive, agreed to.

On section 12:

**Mr. Chairman:** Mr. Dean moves that subsection 48(6) of the act as set out in section 12 of the bill, be amended by striking out the word "or" at the end of clause (a), by adding the word "or" at the end of clause (b) and by adding thereto the following clause (c):

"(c) A person who is in Canada while his parent or the person who has lawful custody of him is in Canada on a work visa, a diplomatic visa or a ministerial permit."

**Mr. Dean:** This is brought forward at this time because of concerns that have been expressed to us directly—I believe they were echoed by some of the members of the opposition during second reading—that unintentionally we could be catching another group of students in this section by not providing a further exemption, that is for the children of the parent or guardian who has lawful custody of the child and who is in Canada on a work visa, diplomatic visa or ministerial permit.

This amendment is to make certain that people who are legitimate residents of the country, though not citizens, will not have to pay the gross fees for the education of their children while they are in this country. We in the ministry believe this segment, and I do not have the figures as to how large it is, should have

the right to have their children educated as residents of the country.

**Mr. Grande:** As we stated in second reading, we are in agreement with this amendment to this particular section of the bill.

Motion agreed to.

Section 12, as amended, agreed to.

Sections 13 to 39, inclusive, agreed to.

On section 40:

**Mr. Chairman:** Mr. Grande moves that subsection 40(2) of the bill be amended by striking out the words "and close schools" in the second line and substituting the words "and maintain schools open."

**Mr. Grande:** I do not want to prolong the debate. The amendment has to do with school closure and I think enough has been said on the matter. I would just like to place the amendment and leave it there.

**The Deputy Chairman:** Does anyone else wish to participate in this discussion?

**Mr. Nixon:** Mr. Chairman, I am glad to have an opportunity to put a proposal to the parliamentary assistant. The proposal is that these guidelines not restrict the position of a school board on the basis of closing certain urban schools and leaving open rural schools. The honourable member may recall I made the point that in the past it has always been a foregone conclusion that the rural schools would close and the children collected in the rural area by school bus would then go into the urban centre where there may or may not be facilities for them.

I am sure the member knows of instances where the rural school is really one that can provide the better facility. I do not think we should forget about at least the possibility of a school bus picking the students up in an urban centre and taking them out to a school which already has facilities that would not have to be reproduced in the urban centre. Actually, there would be a saving since the school bus could pick the young people up at the school centre and not have to go over the many miles for concession collection.

I just thought I should put it to the member again, since in his response on second reading I do not believe he referred to that particular point. It has been something put to me in our area, where at least in one instance the proposal has been to close a very fine country school, which, at taxpayers' expense, has been provided with almost all of the amenities that would

reasonably be expected, and to bus the kids into an urban school. I would like to see the guidelines allow for the alternative flow to at least be possible.

**Mr. Dean:** If I may respond to that, the member for Brant-Oxford-Norfolk (Mr. Nixon) is quite correct that I neglected to respond to that point on second reading. I agree with the principle he is enunciating there. I would like to see that it is made part of the provisions in school closure guidelines, that we do not necessarily assume the rural centre is automatically the one that should close. All things being equal, I feel as he does that the rural setting has a lot to offer people from all parts.

**The Deputy Chairman:** We have before us an amendment to section 40.

All those in favour of Mr. Grande's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

Section 40 agreed to.

Sections 41 to 43, inclusive, agreed to.

On section 44:

**Mr. Nixon:** I would just like to ask the parliamentary assistant what is accomplished by section 44, unless it is an re-enactment of the powers that school boards already have. I am sure he is aware that in many Indian communities the Indian students who may not be provided for as far as secondary education is concerned do move into the secondary school facilities in the surrounding non-Indian communities and have done so for a good long time.

I would simply bring to the parliamentary assistant's attention one of what I would suggest are the very successful agreements of this nature. The Indian students from the Six Nations Indian Reserve community come in to Brantford and attend the Pauline Johnson Secondary School, named for the famous Indian poetess. The reason I am interested in that is I taught there for a number of years and I thought the situation worked rather well.

Frankly, I have been somewhat surprised that some of the bigger Indian communities have not been interested in at least some aspects of secondary education themselves. Certainly a large proportion of the young people are very successful in their education endeavours and the provisions of the Indian Act and agreements carried out between the bands and the government of Canada give them every opportunity to go on to post-secondary education as well.



The parliamentary assistant will be interested to know that quite a significant number of young Indian people have accomplished a good deal of high academic achievement and, in many instances, have come back to the Indian community to assist in teaching, medical practices, dentistry, as lawyers—believe it or not—and so on. I am not so sure we need too many more lawyers, but that is another particular prejudice I have.

What does section 44 accomplish that we have not been able to work out in the Indian and non-Indian communities until now?

4:10 p.m.

**Mr. Dean:** It is designed to give the boards the legislative power to enter into agreements with the crown and with an Indian band to carry on education for non-Indian students in Indian schools and to provide instruction in schools provided by the crown. It also determines how one is to count the number of Indian pupils enrolled in schools so the allocation of trustees is more fairly accomplished.

Section 44 agreed to.

Sections 45 to 56, inclusive, agreed to.

On section 57:

**The Deputy Chairman:** I have two amendments for section 57, and both of them are identical in intent.

Mr. Dean moves that section 57 of the bill be struck out, and that sections 58 to 70 be renumbered as sections 57 to 69.

**Mr. Sweeney:** I would just point out that Mr. Bradley had indicated earlier that since the ministry was fair enough to remove this section he was withdrawing his amendment because, as you said Mr. Chairman, it has the same effect.

Motion agreed to.

Sections 57 to 69 as renumbered, inclusive, agreed to.

Bill 46, as amended, reported.

On motion by Hon. Mr. Walker, the committee of the whole House reported one bill with certain amendments.

## MINISTRY OF INDUSTRY AND TRADE ACT

Resuming the adjourned debate on the amendment to the motion for second reading of Bill 38, An Act to establish the Ministry of Industry and Trade.

**Ms. Bryden:** At the present time, we are debating a reasoned amendment to second

reading of this bill, which our party has put because we intend to vote against this bill.

We find that the very vague objectives in the bill for the ministry do not address the problems facing Ontario. One of those problems, as we all know, is unemployment at the highest level since the Depression: 10.2 per cent for Canada; 7.9 per cent for Ontario. These are the May figures, which are the latest available. Already, that level of unemployment for Ontario passes the figure the provincial Treasurer (Mr. F. S. Miller) put in his May 13 budget when he anticipated an unemployment rate of 7.6 per cent for Ontario in 1982.

At the present time there are almost 400,000 people out of work in this province. That is only the reported figure. There may be many more who have given up looking for work. Bankruptcies are at an all-time high; layoffs are snowballing; utilization of plant capacity in Canada as a whole is at its lowest level in 20 years, slightly under 70 per cent. This kind of situation requires more than the vague objectives of the bill. In fact, all this bill appears to do is to change the name of the ministry. It is a typical response, one that we have become used to from the government opposite.

It is rather like the change of name of the Conservative Party to the Progressive Conservative Party. Despite that name, we still have a province without a freedom of information act. Is that progressive? We still have a province that provides almost the lowest amount of aid to post-secondary education and to those in society who are voiceless and require social assistance, many of them sick, disabled and unemployable. Is that progressive?

We also have a government which relies more and more on regressive taxes, such as the retail sales tax extensions of this budget, the loading of more burdens on the municipal governments, which raise regressive property taxes, and the highest medical premiums in Canada. This kind of a situation requires a new response and not simply a change of name. Changing the name of the ministry from Industry and Tourism to Industry and Trade is completely meaningless unless we also see that there are plans for providing a real industrial strategy for this province.

The change of name is rather like the Board of Industrial Leadership and Development program. It is what one might call a part of the big blue balloon which the Tory party provides as an answer to economic problems. We have had the first anniversary of the BILD program. This

was brought out just prior to the election with a great deal of public relations fanfare and ballyhoo; but when we look at the first year's achievements in the anniversary report, which was brought forward last December, we find there has been very little achieved of what BILD promised.

For example, BILD was supposed to provide \$750 million of investment over five years, with the private sector matching that figure. In the first year, not one penny has come from the private sector. Again, only \$145 million is reported to have been spent in the first year, and when we start to look at the figures we find that most of it is money that was reshuffled from other ministries. I would say one could call it the greatest double shuffle in history.

**4:20 p.m.**

One of the expenditures which I presume was included in that report of \$145 million is \$42,000 for the public relations exercise that reported on the first anniversary. It was a very flossy booklet, which I am sure the Speaker will recall, and there was a big meeting to tell those favourite few the government invites to these kinds of meetings what BILD had achieved. I did not receive an invitation to the meeting. We do not need more public relations exercises. What we need is a change in philosophy. When one reads the objectives, this bill does not seem to contain any change in philosophy.

For example, it says in clause 3(c) the ministry shall, "advance the interests of the private sector of the economy of Ontario by providing appropriate promotions, assistance, counselling and advocacy to aid in the securing of new markets, the introduction of new technologies, the development of new products and adjustments to changing world economic conditions."

The private sector is not participating and, therefore, all the money the province presumably is going to make available for projects will not be taken up. One cannot operate only in the private sector because it will not act until it sees there will be markets for its products.

It says we must have a climate of confidence. If the climate of confidence is built up simply by giving away the store to the private sector and then letting it invest abroad, add to its profits or do whatever it wants with no planning of how the money will be spent and with no obtaining of equity when money is given from the public sector, we will end up with the same thing that has been happening for the past 40 years under this government: putting money down the drain with no return to the investors of the province,

that is the taxpayers who are putting their money in and who want to see results.

This philosophy of relying entirely on the private sector is really the privatization of government. This Conservative Party has taken government out of the public domain and handed its powers over to the private sector. The rest of us who are not in the industrial world are expected to take the crumbs from whatever they produce.

Second, the ministry's objectives do not encourage more Canadian investment. We know from speeches made by the minister that he welcomes foreign investment. Foreign investment is like taking dope; there are side effects. One may encourage some foreign investment to come in but sooner or later the dividends and interest start flowing out. Sooner or later, the foreign companies start adjusting their buying so they buy from their parent companies more than they buy Canadian.

The whole foreign investment will end up with us having less development and money to invest here than if we had tried to do it ourselves by engaging in productive investment through joint ventures, through public ownership and through encouraging Canadian development.

If one looks at the interest and dividend outflow, and this is what foreign investment has brought about, in 1970 it was \$1 billion; in 1981 it was \$7 billion. That shows how habit-forming foreign investment is.

The deficit in our trade in manufactured products has grown from \$9 billion in 1974 to \$21 billion in 1981. These are figures for the whole of Canada, but I am sure Ontario has contributed a great deal to that problem, because we are buying a great deal of imports, including a lot of capital goods and machinery, and we are not replacing those imports.

This is one of the reasons we are opposing the bill and through our reasoned amendment are suggesting that the bill be withdrawn. If the government wants to change the name of the ministry, it should bring in a new bill but this new bill should also change the objectives of the ministry so it would concentrate on, first, increasing the degree of Canadian ownership of Ontario industry; and second, providing through joint ventures and crown corporations for the development of the key sectors of the Ontario economy, particularly where imports dominate.

The objectives of the ministry also mention that it will "participate with other jurisdictions, with associations and organizations, and with public and private enterprises with a view to



formulating plans to create, assist and develop the entrepreneurial and material resources of Ontario."

If the Board of Industrial Leadership and Development is a plan, then the government does not know what planning is, because it does not provide for any sort of turning around of our manufacturing sector or for joint ventures; at least we have not seen any significant joint ventures come out of it. We did have the announcement of the Sanyo plant, which was supposed to produce nine new jobs, but when we looked at it we found there were not even nine, that some of them would be for people brought in from the parent company.

Mr. Speaker, the only party that produced a pre-budget plan this year was the New Democratic Party. I do not think you could call the budget itself a plan, because the Conservative Party just does not know how to plan. They talk about giving money to the private sector, but then they do not tell the private sector what it should do with that money in the way of providing a target number of jobs, getting into the import replacement fields and developing new industries, particularly in the high-tech areas.

We obviously have not been planning in the area of skills training, because we are still importing skilled people from other countries, and our young people are still unable to fill the vacancies that are available in the skilled fields. This is the kind of planning needed to utilize that unused capacity in our manufacturing industry, to train our young people so they can provide the skills we need and to engage in public and private investment on a planned basis.

The budget has provided what is considered to be a traditional method of increasing our development, particularly in a period of high unemployment, that is the acceleration of public works programs. Certainly I think this is a good emergency measure to get people back to work in this time of increasing layoffs, but on looking at that program one finds that it probably will not produce very much in the way of new employment.

It sounds impressive: the Ministry of the Environment is going to produce \$5.6 million in accelerated investment; the Ministry of Education, \$15 million; and the Ministry of Municipal Affairs and Housing, \$34.5 million; but all of that money is to go for labour only, therefore, the municipalities will have to find the financing for all of the construction costs and construction

materials that will be needed in order to use that money.

**4:30 p.m.**

Most of the municipalities had already reached their borrowing limit by the time these announcements were made. Even if they had not, not many of them could afford to pay the present high interest rate to take advantage of that program. We cannot really expect much action from that program.

Even if they did take up some of it, it would all be reduced by seven per cent on the materials because of the extension of the sales tax to construction materials. The government gives with one hand and takes away with the other and, in effect, sabotages its own programs.

The government seems to work on the philosophy that it can ride out the present situation. The question is, who is riding it out? It is not the minister and his cabinet colleagues, who are going to be travelling around in executive jets. It looks like King Billy wants to imitate the multinational presidents and the oil sheikhs and separate himself from the ordinary people when he travels. I do not think the executive jet could be considered an investment in development of our industry.

I do not think one could call Suncor a planned investment, because it appears a few friends of a few members of the cabinet prevailed upon those members of the cabinet to help them solve their problems. It is hard to see what that will contribute to the development of the Ontario economy and the entrepreneurial and material resources of Ontario, which is what the objectives of this department are described as being.

That \$650 million is spent on an unplanned investment, and there is a maximum of \$750 million over five years under the Board of Industrial Leadership and Development. The priorities do not seem geared to developing an industrial strategy.

Who is hurt by this philosophy of riding out the present situation, the recession we are in? It is the sick, the disabled and the unemployable who are on welfare and who have not yet been able to get a proper increase for this year. It is the families and the single persons who have run out of unemployment insurance, who have been unable to find other jobs and who now have to apply for welfare at rates which are below the poverty level in most cases. It is the property taxpayers who are going to face increases of 10 per cent and more in many municipalities to pay for the extension of the sales tax and to pay for

all the additional welfare burdens being loaded on them.

I would like to refer members to the figures for Windsor, where in 1980 welfare costs were \$5 million. In 1982 they are \$14.5 million; that is the budget for it, and that may not be enough. A trebling of welfare costs means a great additional burden on municipal taxpayers. It also means some burden on provincial taxpayers because the province does pay a percentage of the welfare costs.

What does it mean in terms of people? In March 1981 there were 6,600 people on welfare in Windsor. In March 1982 there were 8,500. What this means to the families and the young people in those families is a restricted life, restricted opportunities and discouragement with the society in which they live.

We must not betray those people who are the ones being hurt by the recession. We must show them we are ready to start taking action rather than just blaming it on the federal government, the Reagan government, the high interest rates or the oil sheikhs.

The minister may say he is developing his technology centres as a way of getting us into the high-technology industry, but once again he showed his philosophy in a speech he made recently to the Ontario Chamber of Commerce in which he discussed his technology centres and said that once they are initiated he hopes eventually they will be turned over to the private sector.

Why should the government take the risks and do the setting up of these centres in order to develop our new industrial opportunities, and then turn them over to the private sector when profits might be generated? That is typical of the philosophy of this government.

Also typical is the private party the Treasurer (Mr. F. S. Miller) held after the budget for friends he had invited to come and hear his budget: a \$6,500 private party, paid for by the taxpayers of this province. This shows the kinds of priorities the government has.

They say a recession becomes a depression when three things happen. The first is when no new investment is forthcoming, which seems to be the situation we are in.

The second is when even maintenance and normal repair is skipped. This is what is happening, particularly at the municipal level but also in a great many of the provincial ministries. When one starts to let plant and human resources go down, one is not going to have the basis for further expansion.

The third is when retail sales drop and the savings rate increases. The savings rate increases only when the people with money to invest decide it is not worth investing and are going to wait the thing out. They are not hurting particularly, but there are others who are hurting and the government has a responsibility to see that their needs and requirements are looked after by turning the economy around and by developing an industrial strategy.

I would urge all members to join us in saying this cosmetic change of name is no answer to our present problems; that we should defeat the bill and send it back for redrafting in the hope that we will get a true ministry of industry and development set up, one which will make some change in our present economic circumstances.

4:40 p.m.

**Mr. Mackenzie:** I really wish the minister responsible would not pride himself quite so much on his hard-line, right-wing philosophy and would take a look at the possibilities in this particular bill with the reasoned amendment that has been put forward by my colleague.

I do not begin to profess that this is the answer to an awful lot, or all, of our problems, but with the amendment as moved by my colleague to increase the degree of Canadian ownership of Ontario industry, to provide for the use of crown corporations and joint ventures and to develop key sectors of the Ontario economy where imports dominate, we could have one of the first major efforts to tackle what I think is really one of the fundamental problems facing us in this province. I refer to the branch-plant economy that we have.

I feel very strongly that we simply have to start a restructuring of the economy with control in Ontario or we are not going to reverse what some, not just New Democrats, are beginning to call the deindustrialization of Ontario. It should concern all of us in this House.

I would like to give a couple of examples which underline the kinds of problems we are facing and speak to the need for the ministry, if we are going to change its name, to be given some particular direction as well.

When we were dealing with the select committee on plant shutdowns and employee adjustment we had a number of companies before us, two of which stand out in my mind. If members of that committee learned anything it was that there were problems with the branch-plant economy we have in Ontario.

I think the most straightforward case was that of the Bendix Corp. in Windsor. In testimony



before the committee, the Canadian president of that company pointed out to us that the company had made a profit for something like 40 out of the 41 years it had been in business, that there had been some modernization of that particular plant and, at the time I am speaking of, they still had some 400 employees in the plant.

Nevertheless, the president of the Canadian company received a memo from the head office in Southfield, Michigan, which gave him two weeks to justify the continuation of that particular branch, which they planned to shut down on the basis that they had unused production capability in the American plant and could make more money by using the total productive capacity of the American plant.

He told the committee in a straightforward fashion that even though he was the president of the Canadian company he had to respond favourably to the memo from the head office; that, "Yes, they should shut it down because," to use his words, "the bottom line was the corporate profit and loss picture and they could do better, even though they were making money in the Bendix Corp. in Windsor, by doing all of the production in the US plant."

That decision took no account of the 425 jobs, and some workers at that plant had seniority as high as 25 and 30 years. It did not take into account what it was going to do to the already troubled city of Windsor, the cost to that city in lost taxes or how they were going to raise the taxes to pay for services such as schools or hospitals, which in some cases had been put in for the 400 families of the employees of that operation; the welfare costs to both the municipality and the province; or the cost to the federal government by that additional drain on the Unemployment Insurance Commission fund. Nor did it take into account the disruptive long-term effects on families.

The point I am making is that there was no consideration given, in any meaningful way, to the costs we were going to have to pick up as a result of that decision. We found that we were really impotent and incapable of furthering an alternative approach such as a joint venture, a worker-controlled operation or a crown corporation. We were also put in the position where an already terrible imbalance in auto parts and in our industrial manufactured goods in Ontario was further increased because we were now importing everything that we used to produce in that plant. That was one example that pointed

to the desperate need in this province to do something to reverse what is happening.

I think the second and in some ways even more insidious example was SKF in Scarborough. One of the things the workers told us—the company people did not tell us this—was that the profitable large bearing runs on which they really made money—and it stands to reason: anybody who knows anything about a plant knows that the longer and bigger the run the better the chance you have of being profitable on it—were gradually moved out by the SKF corporation, which was not an American corporation but a Swedish-West German corporation, to some of their other plants; if I recall correctly to France, to a new plant in Brazil and to Philadelphia, where most of the runs went.

At the same time the small runs of bearing assemblies and the repair work, all of which was essential to the company but none of which was highly profitable, were gradually moved into the plant. Then all of a sudden, two or three years before the final decision to close that plant down, the company said, "Look, this operation is no longer financially viable; it is not doing nearly as well as it did a few years ago;" after having deliberately followed a policy of moving out the profitable large runs. Today that SKF plant no longer exists and we are now purchasing all that material offshore.

It seems to me that we have a basic problem, and this is really what we have to come to grips with in Ontario. It applies in many areas.

A favourite story of mine is not only what happened at Bendix and SKF but the fact that only 30 years ago we used to can about 70 per cent or better of all the tomatoes and peaches we ate in Ontario. I do not know what the exact figure is today, but I understand it is somewhat less than 30 per cent. I have heard the provincial Minister of Agriculture and Food (Mr. Timbrell) and the federal Minister of Agriculture say we have the capacity, in canned goods at least, to feed ourselves 100 per cent. We are today at the mercy of pricing and the market, because we are canning as little as 30 per cent or less of what we eat ourselves.

The point was well made by my colleague less than a year ago when he brought in something like 11 tins of tomatoes that we had sent our researchers out to buy at a number of major shopping centres, and only one of them was canned here in Ontario.

I do not want to go into a lot of detail. I want to make one more point about the Bendix Corp. I was rather amazed to look at Fortune's list of

500 major and most profitable corporations on the North American continent, which just came out recently. Do you know what one of the top 10 was? The Bendix Corp. It was in the top 500, but also in the top 10. Boy; they sure showed one hell of a lot of concern for Ontario and the workers in this province.

Those examples, whether we are looking at canned peaches and tomatoes, at SKF or at Bendix—and I could go on and on in the list—are an indication of what is happening to our industry, our economy and our resources in Ontario. We do not control them; we do not own them.

It is getting disturbing. I was looking at the 1979 figures for the Corporations and Labour Unions Returns Act. These are the Canadian figures, not the Ontario figures, but I think we know the chunk that belongs to Ontario. There were 33,701 manufacturing corporations of a certain size in 1979, with approximately half classified as to control. Only 2,138 were totally foreign controlled, but they accounted for 49 per cent of the assets and generated 53 per cent of the manufacturing sales in Canada. I happen to know that the percentage figure in Ontario is slightly larger than the Canadian figure.

The point I am making is that if we are not willing to start coming to grips with who is going to call the shots, who owns and controls the industry and resources in Ontario, then it does not make a tinker's damn what kind of fiddling the minister does with his projects, the Treasurer attempts in his budget or any of the particular little programs they keep talking about in the Board of Industrial Leadership and Development area; they are not going to resolve the problem.

Let me give members one of the constructive things the government has done, though it also points out the lack of any clear direction or policy in this government. That is the loan—I forget the amount they are giving—to set up a tomato paste plant in Essex or Kent county. I think it makes sense, because in the canned tomato field—and I was talking earlier about canned tomatoes, not the paste; but I think it is part of the package—we are importing more than we are producing locally.

**4:50 p.m.**

So the government is now going to give a substantial grant to this industry. But who are they giving it to? One of the most profitable companies in business, the Heinz Corp. Why in God's name did we have to give a major financial grant to the Heinz Corp. to set up a

plant to develop and can tomato paste? Obviously, we should be doing it, but is it a responsible position on the part of the private entrepreneurs that they would not go in and do it? We have the product and a market here. Do we have to bribe them with that kind of a grant?

I am perfectly willing to use the incentives or the grant approach, but let us take a very selective look at who needs it; and let us also use the big stick approach.

It would seem to me that when we lost the ability to feed ourselves in terms of one of the other products I mentioned, canned peaches—and part of that was the takeover by Del Monte of Canadian Cannery and the subsequent closure of about 30 canning plants; I think they have five or six left in operation in the province—we not only lost 2,600 or more jobs in that canning industry, we not only lost roughly 70 per cent of the canning of our own products and are now having to import about that amount, we lost the ability for small farmers to be able to sell a small crop. I know some friends in my own area with seven or eight acres in the peninsula who used to sell to some of the small canning plants that no longer exist down in the peninsula. There is something wrong with our society when that happens.

We should be taking a very selective look—that is what the amendments we proposed would allow us to do through this bill—at where we not only have the ability to compete but where we should be supplying our own goods. A major self-sufficiency policy has to be part of the direction of this government.

Obviously we should be saying, "Hey, it does not make any sense that we are now importing most of our peaches and tomatoes." We do have the ability to can 100 per cent of our needs. We cannot provide 100 per cent of our needs in the fresh fruit and food area because of the climate, but we can certainly provide all that we need in terms of canned goods. Maybe we should be getting back in. If the private entrepreneurs will do it, fine and dandy, I have no difficulty with that. I am not wedded to a state ownership program in terms of what we do. But if they are not willing to do it, then we should be looking at the co-op movement, crown corporations or some kind of a joint venture. We could do this in many manufacturing areas as well. We should certainly be looking at foodstuffs because it is one of the strengths of this province and country.

We should also be looking at the electrical industry, which we have really let go down the



tube. We should be looking at the mining machinery industry that my colleagues refer to constantly. I think they make a case, because there is the market. We should certainly be looking at the high-technology industries. I think we are good—I am not sure how long we are going to stay good—in communications and computer items, and in the chip technology we are now faced with and are a little fearful about—as are the workers.

We should be looking at all of the areas and then we should be moving as a government to prod, push and—in partnership if necessary—move in to those particular industries. We have to cut our deficit. Raw materials are shipped out of this province; we have to start reversing that by deciding that we are going to promote certain industries.

If I can refer back a minute to the food industry I was talking about, part of that promotion is not only going to say, "Hey, it does not make sense that we are importing most of our peaches and tomatoes; we should be canning them here in the province," but to make those canning plants viable, if we decide to get into them and have the farmers delivering the produce to them again, we are going to have to say to the big chain stores, "Look, we will start at a certain figure and you are going to have to agree that a certain percentage of what you buy is going to come from these Canadian canning plants."

One of the arguments we got in the early days when the takeovers were on was that they could sell the products to us cheaper. They may have done so initially, but I suggest if we could do any objective study right now we would find that since we have lost the control—the 70 per cent we used to produce down to 30 per cent or less—they can bloody well charge what they want. That is one of the dangers. We cannot respond fast enough because we no longer have control of that sector of our industry to be able to head them off or to have any real influence on them.

It is absolutely essential that we not only be willing to promote those areas where we could attain self-sufficiency but that we also be willing to guarantee that the market is going to be there.

As good corporate citizens, that is one of the conditions that should be met by Safeway, Miracle Food Mart, Loblaws, A and P or whatever. They have to be prepared to buy because they can also, as we know, freeze a producer out quickly if they decide they are

going to buy from another supplier, whatever the product is, even if it is from an offshore or an over-the-border supplier.

It seems to me the minister has a golden opportunity. There does not have to be a straight public ownership approach. He has a golden opportunity if he is willing to accept an amendment such as ours, which directs him, in a specific policy pronouncement, to start ensuring that the people of this province are not going to be strictly hewers of wood and drawers of water.

We have an interest problem and we all know it. I am not sure which is the major one; the other one being, as far as I am concerned, on branch-plant economy and the lack of control of our own industry and resources. We simply have to come to grips with that.

One only has to go down the list to ascertain the kind of control foreign companies have in some of our major industries. It is only 26 per cent in beverages, but over 99 per cent in the rubber industry; 35 per cent, and I understand it is now up, in textiles; 46 per cent in pulp and paper; and 96 per cent in auto parts. I could go on and on. This is the extent of foreign control of major manufacturing interests in Ontario and in this country.

What I am really asking is that the minister take a serious look at an approach which does break new ground, which does say we are concerned, and which does say that one of the things that is absolutely essential, if we are going to provide the jobs in this province of ours, is that we have some control over what is happening to our own industry and through that some control of our own destiny, and through that some ability to provide jobs for the young people coming up in Ontario.

The minister is not going to do it by just renaming this particular ministry. He could do it with specific instructions and direction by that ministry. He could be as free as a bird in all the approaches he wanted to take—private entrepreneurial, crown corporation, joint ventures or, if necessary and if it is the only way, totally publicly owned.

The minister should not give us a cosmetic approach, as this bill seems to do. He should give us some specific direction to tackle one of the two major problems facing us here in Ontario.

**Hon. Mr. Walker:** Mr. Speaker, I will reply to a number of the points which were raised through the process of the debate and at the

same time touch on the reasoned amendment in a general way.

This is a major restructuring of the ministry by the deletion of the tourism side of the portfolio that had existed for the last nine years or so. Deleting tourism has freed up the industry section to pursue many of its goals. At the same time the trade division is being added to that.

In the trade division we will be putting a great deal of emphasis, once the bill is cleared, on the aspect of trade. In fact, it is our intent to enhance very dramatically the trade dimension of the portfolio and to do what we can to bring the world to Ontario. In a few moments I will talk about foreign investment, since that has so much bearing on it. It is important for us to bring the world to Ontario as much as we can so it may find this a fine place to invest, which investment will ultimately create the jobs we need to have.

The other side of that coin is to enlarge the export dimension. We will be pursuing a number of objectives to encourage as much as we can the utilization of what are now underutilized facilities or capacities in our industries. We intend to be much more aggressive in the world trade area. Our participation in trade fairs will be quite dramatically increased, as will individual trade missions. This fall, beginning in September, we intend to have a trade mission leave every single week. That will be a direction that will ultimately bear a great deal of fruit and has done so, very dramatically, in the past.

We certainly intend to put more emphasis on foreign offices than we have done.

5 p.m.

**Mr. McClellan:** Oh, wonderful.

**Hon. Mr. Walker:** We now have 11. There has been the addition of the Brussels office, and there may be other areas that will be looked at for that purpose.

**Mr. McClellan:** Whatever happened to austerity and restraint?

**Hon. Mr. Walker:** If it were not for the fact that it created employment in the process—

**Mr. McClellan:** Yeah? For whom?

**Hon. Mr. Walker:** I would have to say that the NDP's derisive comments are certainly out of place in that context.

We intend to enlarge our opportunities in the Pacific Rim. That will be a key area, and a variety of conferences have taken place there. The Pacific Rim, for those members who have expressed great interest, includes more than just Hawaii. It includes a good number of countries

surrounding that rim. Indeed, we are represented now in three individual areas in the Pacific Rim—in Tokyo, Hong Kong and Los Angeles. So no doubt there will be a significant move there.

Interjection.

**Hon. Mr. Walker:** That is true. I would suggest to any members who would like to inspect the offices that we would be prepared to provide them with an itinerary they might pursue at their own expense.

I could not help but note the point raised by the member for Brant-Oxford-Haldimand-Norfolk, when he made a comment about the White Farm Equipment plant and castigated the advice I might receive in that case, making allegations as to the nationality and parentage, perhaps, of one of the chief advisers in the process. I presume he was referring to Mr. Andy Croll. There was an allegation made by the member for Brant-Oxford-Haldimand-Norfolk that the chief adviser was an American, of all things, suggesting that an American would be an awful person to have advising us.

However, as I promised the member I would do, I went back and inquired about Mr. Croll's upbringing in as gentle a way as I could. I was surprised to learn that he was born and raised in Haldimand-Norfolk. So it seemed to me the advice I was receiving was directly from the backyard of the member who was castigating me for the advice that was being received. I thought the member would appreciate knowing the advice had been generated right in his own backyard.

**Mr. Nixon:** Is he Canadian?

**Hon. Mr. Walker:** Oh, yes. He might have received a little education in the United States, but I do not think there is anything wrong with that.

**Mr. Sweeney:** Harvard business school maybe.

**Hon. Mr. Walker:** I think he probably had a little bit of business school down there, a little bit of education and experience as well.

**Mr. Nixon:** You are still going to lose the plant.

**Hon. Mr. Walker:** At this moment the White plant is still open in spite of the fact that its neighbours are having a lot of difficulty, in spite of the fact that International Harvester, Massey-Ferguson and the John Deere Co. are all suffering from the decrease in consumer purchasing, or at least the decrease in terms of farmer purchases of farm implements. In spite of that,



the company is still open, and people are working and receiving incomes there today. That, I think, is a tribute to some of the decisions that were made. Time alone will tell whether the decisions were right at the time, but we made them based on the best advice we thought was available to us, and I think we can live with that.

Some references were made to participation in government programs in terms of money being provided to certain industries to create jobs. I thought I should bring out the fact, particularly to the member for Beaches-Woodbine (Ms. Bryden), that in the BILD programs, to which she made particular reference, we generally see a significant amount of owner participation. The owner participation is usually in the range of one third, government assistance is often in the amount of about one third and, ultimately, there is some form of financial participation from outside institutions to the tune of perhaps one third. That is basically there.

I have been on BILD now since February, having served on that committee, which has met almost weekly since then. In almost every case that has gone through I have found—

**Mr. McClellan:** I did not see you in the picture.

**Hon. Mr. Walker:** I was superimposed on the picture when the publication was—

**Mr. McClellan:** Were you? Last time it was Grossman and Miller.

**Hon. Mr. Walker:** Yes. There was a certain superimposing that occurred.

**Mr. Breagh:** He came up a poor third there.

**Hon. Mr. Walker:** I did not fare all that well. It had gone to press before I got there, but those are the breaks.

**Mr. Samis:** When is the next convention anyway?

**Hon. Mr. Walker:** There is one in September.

In all the cases I have seen, there has been a significant amount of owner participation. The suggestion by the member for Beaches-Woodbine is just not the case. The facts do not bear out her conclusion. The facts bear out that there is a great deal of owner participation in it.

Making some reference to the kinds of programs that are espoused in the act, or at least made reference to generically within the act, the Ontario Development Corp., of course, best meets that objective and that profile. In the past fiscal year alone, the Ontario Development

Corp. has provided by way of stimulation and assistance some 650 loans and guarantees which we have estimated have created something like 14,603 jobs. Since the inception of the Ontario Development Corp. in 1966, there have been nearly 4,400 approvals for something like 109,331 jobs.

One program involving the Ontario Development Corp. is the foreign subsidiary buy-back program, which has been of great assistance in acquiring operations that are currently foreign-owned and may be ceasing their work for a variety of reasons.

For example, the General Agreement on Tariffs and Trade round which concluded last year basically developed a program that would see tariffs diminish dramatically in this country. The tariff barriers which were originally there caused companies to jump the barriers to come and locate here in Canada. Some of those are withdrawing to their native countries. In cases like that, the foreign buy-back program, which has been very successful, has encouraged a number of these interests to sell to Canadians. Of course, by definition Canadians are the only ones eligible for it.

A number of comments have been made relative to the matter of foreign investment. We obviously have a philosophical difference in this House from a number of members of the New Democratic Party, and no doubt a number of members of the Liberal Party; although if we divided the Liberal Party on this, we might find there are more people in support of foreign investment than are opposed to it. I tend to think the members are not reflecting every single view that exists—

**Mr. Sweeney:** There are a few over there too.

**Hon. Mr. Walker:** I look here and cannot see one.

**Mr. Sweeney:** There are not that many here right now.

**Hon. Mr. Walker:** Foreign investment is something this country has been built on. It was built on it 100 years ago. Foreign investment created the country and has continued since then to provide the extra stimulation, the extra benefit by coming to this country and creating jobs. If one had one's druthers, one would say, "Sure, there is some real value that comes from having everything operated within one's home country." It would be easy to support the principle. However, there is just not enough

money to sustain the number of jobs and the amount of economic activity we have to have.

**Ms. Bryden:** You have taken it all out.

**Mr. Sweeney:** You have taken it all out; there is none flowing in. More money flows out than flows in.

**Hon. Mr. Walker:** Wait a minute. That does not come from foreign investment. That comes from native Canadians who have decided they are going to move their money into another country because they find that gaggle of whatever in Ottawa who run this country are the kind of people who force investment out of the country. That is where the money is going. It is not going from so-called foreign investment.

If the member looked at the amount of money spent by foreign investors in this country, I think he would find the investment very dramatic. If the member were to look in his own riding—

**Mr. Mackenzie:** Quit hiding behind the feds' skirts.

**Mr. Sweeney:** They are reinvesting the money.

**The Acting Speaker (Mr. Cousens):** Order.

5:10 p.m.

**Hon. Mr. Walker:** I heard the member for Kitchener-Wilmot (Mr. Sweeney) say how much better his own riding would be if it did not have foreign investment. I suppose that means he would like to see B. F. Goodrich, Uniroyal and Budd leave. I am not accusing him of saying he would want to see them pick up and leave immediately; all I can say is that those companies have made substantial investments in this country and are doing a substantial amount in terms of providing rewards to Canadians.

The Budd plant alone has taken back—is it 70 people in recent days?

**Mr. Barlow:** It is 500.

**Hon. Mr. Walker:** The Budd plant has taken 500 back. That means there are 500 families, some living in the member's riding, who are able to exist and maintain a standard of living that would not be provided otherwise. I think that is the benefit of some of the foreign investment we have.

In Stratford, 18 of the 24 plants are foreign-dominated. Some are from the United States; some are from other countries. If we were to look at those, I think we would realize the kind of impact they have. Who would be providing those companies if they were not there as they are now? Would Canadian money be invested there? I rather think not. Some would be taken up by Canadians, but the problem is that we

would not have the level of investment, we would not have the standard of living, we would not have the degree of employment that we have today if it were not for the fact that we had foreign investment, particularly in southwestern Ontario.

The city of Kitchener, and most of the cities represented by members here today, could be closed up if foreign investments were to depart, such has been its impact. Many of the companies established through foreign investment operate in a very good corporate citizenship manner. We tend to look at that rather than at the nationality of a company. We are more interested in the behaviour—

**Mr. Samis:** The ghost of Stanley Randall rides again.

**Hon. Mr. Walker:** Is the member not interested in behaviour while he is here? He made some reference to various companies, and I found their behaviour to be somewhat disturbing, somewhat disappointing. There are a number of companies where that happens.

I can take the member to a number of companies that are Canadian and may be based in this province or in one city that is perhaps not the member's city. I have seen them change locations from one community to another because of an economic decision. I have seen them change from one province to another because of an economic decision. I have also seen some foreign nationals change from one country to another because of an economic decision.

They have a responsibility to their shareholders to make sure they continue as good corporate citizens. However, from time to time there are a lot of foreign nationals who deviate from the line of good corporate citizens. I can also name lots of Canadian companies that deviate from the same line of good corporate citizens.

It is difficult to enumerate all the points raised by all the members, other than to say in respect of research and development, which was very heavily touched on by a number of members, that the government and the ministry have a direct responsibility and have assumed the responsibility.

Our research and development figures show that Ontario represents almost 50 per cent of all the R and D that occurs in Canada, a very substantial portion of it, in spite of the fact that we have only about a third of the population.

This ministry has taken on responsibilities, and I have identified those in previous discussions in this House; namely, the IDEA Corp., for which a bill went through earlier this year. It will



be heavily involved in research in the province and will attempt to provide an umbrella or supervision of the kind of research that may occur to encourage research and development.

The most important thing in all of this is technology transfer. In that respect we have established six technology centres. We debated those a few days ago. The six technology centres are: in Ottawa, the microelectronics centre; in Peterborough, the robotics centre; in Cambridge, computer-aided design/computer-aided manufacturing, CAD/CAM; in Sudbury, the resource machinery centre, for mining and wood products; in Chatham, the agricultural centre, for farm implements and food processing; and in St. Catharines, the automobile parts centre.

All these technology centres have been designed with a heavy degree of research as a part of their mandate, but the most important aspect is that of technology transfer. We found in the past that getting something from the idea stage to the point where a process has been developed is a considerable task. As a consequence, we think the technology centres, set up in the kinds of industries they are, ultimately will produce what might be considered the cutting edge for leading us towards the cutting edge of technology as it relates to those industries.

If we enumerate all the industries we are involved in, in terms of those six we find we are touching on somewhere between 90 and 95 per cent of the Ontario industrial base. I think they will ultimately lead us to putting this province far ahead of most, if not all, other jurisdictions in the world in relation to these very topics.

Our intention is to create world-class centres in each of these places, and I can say that progress is well under way. We have steering committees at the moment, but they will ultimately grow into boards of directors. These steering committees have been meeting and doing things. In fact, they are already into leased quarters in Ottawa and it will not be long before they are completely into leased facilities throughout the province and new facilities are under way.

This bill is geared towards creating a new ministry that has focus on the existing portion of industry and on the new aspect of trade. Both initiatives will be geared to very direct involvement of many people and resources. We are focusing a great deal of attention on those aspects in the remaining years of this decade.

The motion that is before the House is a reasoned amendment put forward, in essence, to increase Canadian ownership of Ontario

industry and to use the crown corporations in joint ventures to develop industry sectors where imports dominate at present. I think that philosophically divides the parties in this House, and I think the decision will be made when the motion is put.

**The Acting Speaker:** Mr. Wildman has moved, seconded by Mr. Mackenzie, that Bill 38, an Act to establish the Ministry of Industry and Trade, be not now read a second time but be referred back to the minister with instructions to amend the bill to incorporate the following changes in its objectives, namely: (1) to increase the degree of Canadian ownership of Ontario industry; and (2) to provide for the use of crown corporations in joint ventures and to develop key sectors of the Ontario economy where imports dominate.

The question before the House then is, "Shall the bill be now read a second time?"

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Vote stacked.

**Hon. Mr. Walker:** As a technicality in this procedure, in that the vote is stacked for the convenience of all of us tonight at 10:15, there is one reason at that moment to go into committee, for a period of about 30 seconds I suspect. I wanted to give members notice of that for the usual amendment that relates to the annual report, copies of which amendment have now been delivered. I wonder if we might have the permission of the House at that time to do a rather speedy entrance and retreat from committee of the whole for purpose of the one amendment.

**The Acting Speaker:** I will leave that to the House leaders to determine and then, when the order is called, it will be decided that way. It is at least on the floor. So it has been agreed that the vote will take place at 10:15 p.m. this evening.

5:20 p.m.

## MUNICIPAL ELECTIONS AMENDMENT ACT

Mr. Rotenberg moved, on behalf of Hon. Mr. Bennett, second reading of Bill 119, An Act to amend the Municipal Elections Act.

**Mr. Rotenberg:** Mr. Speaker, this bill makes several changes in the Municipal Elections Act. We want it passed so these changes will be in force and effect for the municipal elections in November of this year.

The main change in the bill is that it proposes to replace the present section 121 of the Munic-

ipal Elections Act with a new procedure regarding municipal campaign expenses and contributions. Bylaws enacted under the present section 121 have been placed in jeopardy by the courts because the wording of the present legislation does not permit municipal councils to require disclosure by candidates of their total expenditures.

The new section is modelled on the provincial Election Finances Reform Act. Like the present section 121, these provisions are permissive; that is, a municipality does not have to do it but may do it. However, the new section would require that any bylaw passed under this section must include the following provisions:

All expenses and contributions must be recorded; individuals or organizations contributing more than \$100 to a candidate must be named; contributions are to be limited to \$500 per calendar year. It is hoped that this will broaden the base of political contributions and limit the appearance of campaigns and candidates being controlled by special interests. I would point out that the candidate or his spouse would be exempt from this provision, so if a candidate wants to finance his own campaign he would not be limited to the \$500 contribution. That is one difference between the municipal act and our provincial act.

As in the provincial election legislation, no limit will be placed on the total spending or contributions received by a candidate; that is, he can collect as many \$500 bills as he is able to collect. We feel that spending limits would benefit incumbent candidates at the expense of the challengers, especially in mayoralty races in large municipalities.

All candidates must file a detailed report of contributions and total expenses with the clerk of the municipality within 90 days of the election; contravention of such a bylaw would constitute a corrupt practice and the penalties could include a fine of up to \$2,000 and removal from office.

That is one section of the bill. A number of other technical amendments are proposed. They are really procedural and wording changes designed to improve and clarify election procedures. These have been worked out with the Association of Municipal Clerks and Treasurers of Ontario.

Among the noteworthy proposals are the following: Changes in the recount procedures that allow a judge to confine his recount to those polling subdivisions he determines are relevant, thus eliminating the necessity of costly and

time-consuming total recounts. A requirement that clerks of small municipalities, those with 5,000 or fewer electors, post and publish notices listing the locations of polling places— municipalities with more than 5,000 electors are already required to mail or deliver individual notices of polling places; a provision allowing the clerks of large municipalities in the event of a postal disruption to advertise the locations of polling places in place of the normal provision that nonresident electors receive mailed notices.

Mr. Speaker, these amendments, as I said, are the result of a review of the process with individual municipalities and their clerks and with the clerks' advisory committee. I commend this legislation to the House.

**Mr. Epp:** Mr. Speaker, I will indicate at the outset that we are going to support this bill. I agree with the government in bringing it forward, but I am somewhat amazed it did not bring it forward some years ago. There has been a certain amount of anticipation of it and, indeed, requests by municipalities and by the Association of Municipalities of Ontario to have some form of legislation whereby municipalities could, if they wished, make it mandatory for candidates to disclose the amount of money that people have donated to their campaigns and the types of expenses they have had.

So I commend the government to that extent for bringing it forward at this time, although I wonder why it did not do it some years ago.

As the parliamentary assistant has indicated and as the bill indicates, candidates will have to disclose the amount of the contributions given to them. Therefore, it will prevent any single person, aside from the spouse of the candidate and immediate family, from contributing a great deal of money and perhaps expecting some form of return. As members know, that possibility always exists. If individuals were allowed to give \$2,000, \$5,000 or \$10,000 to a particular candidate, they might expect a return of similar substance were the candidate to take office. Limiting the amount of money people can give obviously will discourage that.

I suppose there is nothing to prevent various members of a family from giving money to a candidate. In other words, someone might want to give \$2,000 to a candidate and could distribute that amount among the members of the family for contribution to that candidate. Probably there is no way to prevent that from happening without a lot of policing, and I am not sure we want to go that far.

I want to draw the parliamentary assistant's



attention to section 25 of the bill and to the explanatory note which says, "As re-enacted, the section will authorize cities, towns, villages, townships and the regional municipality of Niagara to, by bylaw, regulate election contributions . . ."

I am wondering what impact this will have on the municipality of Muskoka, where there is direct election both locally and for the district. Districts are not mentioned here, but candidates do run for their local towns. I am wondering if that is an oversight or if it will be covered by the legislation as it is now drafted.

**Mr. Breagh:** Mr. Speaker, we will oppose this bill. It would appear on the surface that a number of minor changes are being proposed to the Municipal Elections Act. I suppose they are not matters of great concern and may fall into that category which are often called housekeeping provisions. We have no objection to them.

The sections that deal with, purport to be and have now been reported to be portions which will give us a municipal elections expenses act, in my view and in the view of my party, are really quite phoney. It is preposterous to say this government is moving into the field of municipal elections with some kind of election expenses apparatus similar to that which applies in federal and provincial elections.

In general, I think the public now supports the principle that when people run for elections there ought to be disclosure, there ought to be limits and there ought to be some monitoring of the whole process, particularly from a financial point of view. On many occasions we have supported the principle that there is no rational explanation of why one entire level of government in Canada would have a different set of circumstances operating than the other two. So we have put forward from time to time—my colleague the member for Beaches-Woodbine (Ms. Bryden) will speak a bit later in the debate—we have proposed legislation which would put in place the same kind of rules governing municipal elections as are now in place governing provincial and federal elections.

We believe that makes good sense. We do not believe it necessarily inhibits people from running. It just makes the rules of the game clear. It makes sure that at the very least one can determine exactly who is participating in a financial way in the election process, and of course everybody is free to make determinations about whether somebody who contributed a large amount of money may have some undue

influence afterwards on the decisions of an elected person.

The thing I find obnoxious about this bill is that it purports to be something along those lines; yet when one gets to the principles that are espoused in it, it is not that at all. I was interested to find out the bill was already in committee before it was here.

**5:30 p.m.**

One could write a news story that says they are somehow dealing with that topic, however, if we read the bill we will see that it does not provide any legislation that controls election expenses at the municipal level in any way, shape or form. All this bill does is what 15 of our municipalities have already done, it says that a municipality can pass a bylaw and control it to that extent. I suppose the closest this comes to the mark of an election expenses act that could be interpreted as such by the wildest stretch of the imagination is that it is permissive legislation and it ought to substantiate those municipalities that have passed bylaws, it puts the stamp of legislative approval on their attempts to regulate election expenses at the municipal level in some way.

When we get to the principles that would be my first major objection. It purports to do something it does not do. In that light, it is fraudulent in nature. It is a phoney piece of business. It purports to be about municipal election expenses, yet it is not. It will wind up that a municipality will have to pass that bylaw. So perhaps in Toronto we will have a municipality very anxious to pass that kind of bylaw to get that on the books, but in other municipalities, such as Oshawa or Hamilton, the municipal council will say, "What are we messing around in that kind of business for? We have never done that, we have never had any big scandals, so we will not bother."

One can see the reasons flowing in now. The clerk's office will report to the council that this will cost another \$200,000 a year and the council will say, "We are in a period of austerity, we are cutting all kinds of social programs and we are having great difficulty continuing with the normal work of a municipality. It is not a good time to lay on another large expenditure item." I am sure the clerk's office will have a pretty accurate idea of how many people will be needed to implement a bylaw along these lines.

I sense there are several Tory back-benchers who want desperately to speak this afternoon. I would be happy to give them the opportunity,

but since some of them are not in their own seats I cannot do that.

In many municipalities I can see the clerk preparing that staff report for the council and the council saying, "Let us not beg the issue, let us not spend a lot of money on this." There will be 1,001 reasons, all very sensible and logical I suppose, why a council will beg off. We will have some municipalities calling for some kind of disclosure under municipal bylaw and others not doing so.

I think it was this morning I read that the president of the Association of Municipalities of Ontario said, "There is no problem here, we can live with that." That is not the point. The point is we all live with it. Every member here lives with an election expenses act. From time to time we have quibbled about the details of that act and some of its unfairness.

As someone who has worked both sides of the coin on that, as a candidate and as someone who operated a campaign, I know it often imposes some rather difficult measures on a local riding organization that may not have professional expertise in its midst and has to go outside to hire it.

However, the basic fairness is undeniable. What makes it fair is that each of the 125 ridings represented in this Legislature is operating under the same rule. If it is a lousy rule, at least it is lousy for everybody and the pain is shared among all members and all riding associations that work under that law.

What is being proposed here this afternoon is not something that will be common ground for everybody. In the first instance, the municipalities in question will all have to say, "Let us do it; let us pass this bylaw; let us get it out."

It is not clear whether the bylaw will have to be consistent from one place to another. It is permissive legislation. The member for Wilson Heights (Mr. Rotenberg), in his wisdom, assures me "Yes." That is another good reason I would not take his word for it; I have seen his wisdom on several other occasions and it is doubtful at best.

There will be some problems with this. Even if it goes through in its present form, there is no requirement for municipalities to do it. There is no standardization of the monitoring process. There is no standardization on limits, disclosure and a number of other things. In going through this I noticed they picked up the word "association" and said that is a body that will have municipal campaign donations monitored. It leaves open to question what is meant by an

association. For example, does that mean a political association? There are provisions now in question under the federal and provincial acts, which do allow riding associations, for example, to make contributions to municipal campaigns. That has been done and has been reported to the Commission on Election Contributions and Expenses. It appears that by municipal bylaw they are going to override both an act of the—

Interjections.

**Mr. Breaugh:** Mr. Speaker, I would like the Tory back-benchers to share with other members the humorous anecdotes that are being passed around over there. Oft times we offer them an opportunity to speak in the House—

**Mr. Nixon:** Why don't you sit down and let them?

**Mr. Breaugh:** I would be prepared to yield the floor for a few moments. However, it is strange how whenever they get a chance they refuse it.

There are going to be a lot of inconsistencies with this approach. The basic fault is it does not lay down one set of ground rules for all municipal elections in Ontario, and that is wrong. It does not offer the population of Ontario the same privileges for a rebate system as there are for either provincial or federal politics. In my mind, that discriminates against politics at the municipal level.

I suppose that flows from this funny notion touted by the government that in some way municipal politics are not real politics, it is some different animal and of less importance than other parts of the political process.

I do not believe in that at all. Quite the contrary, I believe that of the three, four or five levels of government at work in Ontario today, the most important is the municipal level, which is much closer to the citizens. It is the one where the people elected must respond, because they are not allowed to flee their communities for long periods of time as we and the federal members are.

By their very nature, municipal politicians are forced to stay there and take the heat. When the pot-hole is not fixed one has only to drive down that street to hear the abuse from the citizenry. I think that makes the municipal level of politics a little more responsive.

It is odd that in all the great budgetary processes described, the only one in Canada open to the public which has input right along through the entire process, similar to what the



American system does, is at the municipal level. That is the way we ought to go.

If we had any common sense in operation in this Legislature, the one guy who should now be a proponent of a little more openness in running the fiscal policies of the province ought to be the Treasurer (Mr. F. S. Miller). He would not be up to his neck in alligators, as he is downstairs in room 151, if he had done what we are asking him to do, be a little more open and listen to the groups and people who will be directly affected.

The municipal level is perhaps the ideal level in the political process. It is far more open than the Legislature of Ontario and grossly more so than the federal Parliament of Canada. It is the one most responsive to the needs of its citizenry; yet, here in this bill, it is relegated to a sad third place. It is deemed by the government of Ontario not to be worthy of some kind of election expenses process. As a miserable option, it offers to sanction a municipal bylaw. That does not really address the problem, that causes more difficulty.

The purpose of legislation along these lines is to see that two or three simple principles are operative and that it will happen in a positive, normal and consistent way. We are looking for some kind of disclosure. I suppose one could say an attempt at disclosure is made here, but the most charitable words I can say on that would be it is a half measure and it does not do anything similar to what I, as a member, have to conform to. It leaves it to the vagaries of whatever the municipality wants to do. It breaks down in the mechanics of it all.

Perhaps there will be clerks in municipalities who will pursue those disclosure provisions aggressively. Perhaps there will be others who will not bother. Perhaps there will be municipalities which will say, "We do not want to bother with this bylaw, so we won't." The mechanisms and the incentives are not in place to ensure that the population understands that it is important for it to participate in the political process. The rebate systems which have become fairly popular at two other levels of government are not in operation here. Neither are the control mechanisms, in my view.

**5:40 p.m.**

The problem I have with this bill is its phoniness. If it were directly saying, "This is law; it will be applied uniformly across Ontario and this is how, these are the mechanics of it," I would be prepared to take another look at it. It is not that at all. In fact, this is the old kind of fake routine. The government calls it by a name

and then proceeds to draft legislation that works directly against that principle.

I think it is undeniable that in writing legislation to govern municipal elections the first premise would be that it would do just that, govern all municipal elections. This one does not even pretend to go that far. In drafting legislation to provide some fairness, one would certainly expect a Municipal Elections Act to mirror the current acts that are in place for the other two levels of government. I think that simply says we are asking for fairness, we are asking for equal treatment, we favour putting different levels of politics on the same footing.

There is an obvious case to be made, whether or not there has ever been a scandal in somebody's municipal election, that the kind of principles all of us face when we run in an election be applied to the municipal level. I think it is unfortunate that in many municipalities allegations are made that people who sit on council and on school boards are financed almost totally by people who have a vested interest in that community. To be a little more specific, there are people in the development industry, in the housing industry, who have no problem coming up with reasonably large amounts of cash and supporting a political candidate.

It is true that in many areas of Ontario municipal elections are getting to the point where they are as expensive as provincial elections. It is also true that in many other parts of the province municipal elections have not gone that route and have stayed relatively low in finances, so it is conceivable that in a rural municipality, or perhaps in my town of Oshawa, somebody can, on his own or with the help of a few friends, put together an election campaign for municipal purposes; but it is also true that in a number of other areas, most notably in the city of Toronto, but for that matter any other large urban centre, election campaigns are getting expensive.

People are getting into the advertising game. That very quickly bumps the cost of a municipal election out of, say, the \$500 to \$700 range. In one simple advertising program with a radio station or with a newspaper one could very quickly go through \$4,000, \$5,000, \$10,000 or \$20,000. In many of our municipalities that is the reality of the day. That is the way things have gone in the past, and there is no reason to believe it will not escalate substantially in the future.

I believe very strongly there is a need for a rational Municipal Elections Act, and I regret



most sincerely that this Bill 119 is nowhere near that mark, that it fails miserably. More than that, I regret that once again the government of Ontario may have given us a slight break that allows it to hang a name on a line and say, "Oh, yes, there is a municipal election expenses act." When we look at it there is nothing in it to make it operative. What I really regret about that is that it takes some of the heat out of the issue.

I believe there are lots of people in this province who have said for some period of time now that there needs to be fairness, there needs to be regulation, there needs to be disclosure, there needs to be a rebate system, there needs to be a proper municipal election expenses act. I believe that is an extremely valid argument, that those points are relevant and necessary.

I regret we have nothing before us today which comes anywhere near that mark. The mere fact the government has brought in a bill it can call that will take some of the steam out of the argument, but it will probably be another five, maybe 10 years, before the issue can be debated properly before the Legislature. I regret all that time will pass before an opportunity will come before the House to change this act substantially.

As a matter of fact, it would have been normal for us to propose amendments to a given act. Since we have gone to some lengths to explain and to draft private bills and resolutions to cover our party's position on the matter it would have been a relatively simple matter, if we had had a proper piece of legislation in front of us, to pose those amendments. But it is damned difficult to propose amendments to permissive legislation like this, which talks not about an act of the province of Ontario but really about somebody's city bylaw which may happen at some future date. There are a lot of what-ifs in there.

We oppose it. We will not put any amendments to it, but we sincerely regret that something all of us acknowledge ought to be looked at carefully and ought to be covered by legislation is not going to be. This bill is fraudulent in its nature, it will not accomplish what the title of the bill suggests and it will not do very much for very many people in this province.

**Mr. Boudria:** Mr. Speaker, I want to make a few brief comments, specifically relating to section 25 of the bill as it deals with contributions.

I have some difficulty with certain clauses there because I do not think the bill goes far enough. There should be provision for a form of

tax credit—and again I am expressing a personal opinion—for candidates seeking municipal office. I believe such a system already exists in Quebec, and I understand it has worked with reasonable success.

The task of running for municipal office would be eased considerably if it were made easier to obtain contributions from potential donors. Because of the lack of legislation at the present time, it is evident to all of us who have been in municipal office—and I see many members of this House who have been in municipal office—that seeking campaign contributions at the municipal level is not exactly easy. There is very good reason for that: there is no incentive for those who make electoral contributions.

I have run for municipal office four times in my life, three times successfully and the first time not quite so successfully. Nevertheless, in all cases I had a group of people who helped me with campaign contributions, and in one election I had to put up a substantial amount of my own money to complement those funds I had been successful in raising. The reason it is difficult to get funds in almost all cases, especially the first time one runs for public office, is the reason I specifically mentioned earlier.

Another thing that disturbs me a little bit about section 25 is the fact that, if I understand it correctly, when we run for office in this Legislature or at the federal level there is a certain limit to which a candidate can contribute to his own campaign, yet there does not seem to be that limit at the municipal level. Presumably this is to allow a candidate to put in more money of his own, because in certain areas it is not possible to raise funds. But I suggest that if we create a mechanism by which funds can be raised more easily, we will not need that kind of legislation, which is really designed in such a way as to give an unfair advantage to the rich over the poor; in my view, anyway.

If one is in an area where it is not traditional to donate for municipal political office—for whatever reason, perhaps one reason being that the incumbent mayor happens to be loaded and puts all kinds of his own money into his own election and therefore very few people dare to run against the hypothetical mayor I am talking about—we have a situation where people in that community never seem to contribute because they were never asked to do so and they never will be in the future, because the same person who has lots of money keeps on running election after election. In order to change that kind



of atmosphere there should be limits on personal contributions by a candidate towards his own election and some method of providing a tax credit or an incentive for contributing to the municipal election process.

5:50 p.m.

**Ms. Bryden:** Mr. Speaker, I feel this bill is a backward step, because section 121, which is already on the statute books, has two of the four requirements for an election expenses act, including the most important requirement, that is a limitation on the amount that can be spent on an election. It also has provision for the disclosure of contributions over \$100. It does lack disclosure of expenditures, and it does lack province-wide application.

We are going backwards when we repeal that section instead of amending it to add the necessary framework to have a proper election law and substitute what, as my colleague says, purports to be bringing the municipal field into the same ambit as the federal and provincial field so that election expenditures and contributions are controlled.

We understand why federal and provincial legislation was brought in to control election contributions and expenditures. There have been many instances of abuses of the electoral process through people making very large contributions, perhaps expecting or actually receiving benefits after the event. There have been abuses in expenditures on elections by making it a rich man's game. Expenditures became so large that the person competing for the office was unable to match those of his opponent.

We know that when there are abuses, law is required to prevent those abuses if we are to retain a fair and democratic process of elections. That is why the law came in at the federal and provincial levels. That is why for a number of years my colleagues and I have been suggesting we ought to parallel at the municipal level what is provided at the federal and provincial levels. But the federal and provincial laws do not fulfil the requirements of a perfect election law; that is, disclosure of contributions, disclosure of expenditures, a limit on contributions and a limit on expenditures.

We would prefer to defeat this bill and bring in an act that would really parallel the provincial act and probably put the control of election expenditures and contributions under the pres-

ent Commission on Election Contributions and Expenses, or under one that would be set up for the municipal field. But it must be mandatory. We do not ask municipal councils to pass laws against fraud or theft in their own municipalities, we pass those on a province-wide basis; the same should be true of election expenditures.

Our party has gone on record in this matter by a resolution I tabled once in the previous session and once in this session. It says:

"That in view of the necessity of extending to the municipal field the principles of disclosure and limitations on contributions and expenditures contained in the provincial Election Finances Reform Act, 1975, this House directs the government to bring in legislation applicable to candidates covered by the Municipal Elections Act embodying the general principles of the provincial act, but also including specific limits on all expenditures by a candidate related to an election."

That is what we are asking. The government is giving us a very small proportion of what is required for a proper election expenses bill.

The parliamentary assistant mentioned that it would benefit incumbents if there were spending limits. Presumably he meant that no one could challenge an incumbent without spending a great deal of money. I think it is exactly the opposite. In mayoralty contests only a rich person can stand because the lack of limits makes it so costly. It really is anti-democratic not to have limits, it produces inequality.

Therefore, I think we must aim at a province-wide law which will have in it the four components and which will also apply to everybody. I also think we should have an amendment to the Income Tax Act which would make it possible for people to have a tax rebate similar to federal and provincial rebates so that we do not have to be concerned about where the money is going to come from. It can come openly from a large number of people in the same way as it does federally and provincially.

The present system is very undemocratic and favours the rich, as does the clause which says the candidate and his spouse can put in any amount of money. Therefore, I think we should defeat this bill and start over again.

The House recessed at 6 p.m.

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Ontario, LEGISLATIVE ASSEMBLY

No. 96

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Monday, July 5, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Monday, July 5, 1982

The House resumed at 8 p.m.

## MUNICIPAL ELECTIONS AMENDMENT ACT (concluded)

Resuming the debate on the motion for second reading of Bill 119, An Act to amend the Municipal Elections Act.

**Mr. Rotenberg:** Mr. Speaker, we were dealing with Bill 119. I would like to take a moment or two to discuss some of the points raised by the members opposite.

The member for Waterloo North (Mr. Epp) asked about a clause in the bill allowing the regional municipality of Niagara to deal with election expenses. He wondered about other districts. I would point out to him that Niagara is the only region where members are elected to the regional government without being elected to the local government.

In areas like Muskoka, although they are elected to the regional government, they are also members of the local council and the election is run by the local clerk. Those elections are really local elections where they also get elected to the region, so it would be up to local council to set the rules because the local clerk is the one who runs it. Niagara is the only one that runs it the other way.

To the member for Oshawa (Mr. Breagh), I must say we simply have a disagreement in philosophy as to whether legislation such as this should be permissive or mandatory.

He raised a point, with which I agree, about municipal politicians being closest to the people. I agree with him, and I think it would be up to those local politicians who are closest to the people to decide whether in their individual municipality this legislation is required or desirable. If it is required and desirable and the local council does not put it in, there can be considerable pressure from the ratepayers.

Although I did not rise during the presentation of the member for Oshawa, he mentioned a couple of times that this bill was "fraudulent." I not only resent but also reject such remarks, because I certainly do not think the member for Oshawa was either correct or polite. He might be even in technical breach of the rules of the

House in calling a bill fraudulent. I respect his point of view in disagreeing with the principle of the bill, but I ask him to respect ours. Everything in this bill is totally up front. He may choose to apologize for using the word, but I will not insist on it.

The legislation is permissive, because it is the philosophy of this government, of the Association of Municipalities of Ontario and of the municipalities that this kind of bill and legislation should be permissive.

I point out to the member, if he reads the bill carefully, that it will be consistent for those municipalities that choose to adopt this legislation, because in section 25 of the bill, subsection 121(2) of the act says that "where a bylaw is passed under this section, the bylaw shall . . ." have all the clauses in it. All those municipalities that do pass it will be consistent and all will have the same clauses, rules and regulations. Those that have it will know what it is.

The member for Oshawa also mentioned the rebate system we have. We get so much per voter if we get such a percentage of the vote. Quebec does have something like that. Quebec pays up to 50 per cent of the election expenses of a candidate who obtains at least 20 per cent of the vote and gets elected. By the way, this is refundable by the municipalities, a rebate by municipalities.

There has been no request whatsoever from AMO or from municipalities to do this. I would say to the member for Oshawa, who talked about rebating, that if some of the municipalities wished out of their own funds to be able to give back so much a voter, as they do in Quebec, as we do from our funds and as the feds do from their funds, certainly we would be prepared to look at it. That is a rebating system which is different from taking money off their tax.

The other point about tax rebates which was raised by the member for Prescott-Russell (Mr. Boudria) is a little more difficult problem. Again, if one is contributing to a federal election campaign one gets a tax credit from the federal government. In fact, the federal government is paying part of the cost of the candidates. Contributors to provincial candidates generate credit only on provincial tax.

The question is, if there is going to be a tax credit for municipal election candidates and for the contributors, from what level of government should it come?

**Mr. Boudria:** From the province; where do you think we are?

**Mr. Rotenberg:** The member for Prescott-Russell says only the province should subsidize the municipal candidates.

**Mr. Boudria:** Of course.

**Mr. Rotenberg:** If we are going to do it, should it come from the federal government as well or should it come from municipal taxation? The principle is that each level of government subsidizes a rebate or a tax credit from its own level of government; we are not prepared at this stage to subsidize municipal candidates from the provincial coffers.

The member for Beaches-Woodbine (Ms. Bryden) mentioned that there are no overall spending limits. That is correct. It is patterned on the provincial level, where there are no overall spending limits. She did not mention, but she could have, that the federal government does have a form of spending limit which has holes big enough to drive a truck through. The simple way to get around the federal spending limit is that in federal law spending limits apply only from the time the writ is issued. Any candidate knowing what is coming can simply ask his printer to bill him for \$10,000 or \$15,000 or \$20,000 worth of printing. He does not have to pay for it; he just gets the bill issued before the writ is issued and that does not count as election expenses. I believe that if we do not have it for our own elections, we should not have it for municipal elections.

I also point out that the present section 121, which was passed in this Legislature when there was a minority government, and which was supported and pushed for by the two opposition parties, was also permissive legislation for the municipalities. I am surprised that in the few short years since the opposition pushed for that legislation the New Democratic Party has changed its mind and, wanting it permissive then now wants it mandatory.

As I said about the member for Oshawa and the whole New Democratic Party, it is a difference in philosophy. I respect their opinion; I just cannot agree with it. I think legislation like this should be permissive for municipalities.

With those remarks, I think I have covered the main points raised by opposition members. I

ask the support of the House for second reading of this bill.

**The Acting Speaker (Mr. Cousens):** Mr. Rotenberg, on behalf of Hon. Mr. Bennett, has moved second reading of Bill 119, An Act to amend the Municipal Elections Act. Is it the pleasure of the House that the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

Ordered for third reading.

### MUNICIPAL LICENSING ACT

Mr. Rotenberg moved, on behalf of Hon. Mr. Bennett, second reading of Bill 11, An Act to provide for the Licensing of Businesses by Municipalities.

**Mr. Rotenberg:** Mr. Speaker, even though I have indicated this to the critics of the opposition parties, I will say at the outset that it is my intention after second reading to refer this bill to the standing committee on administration of justice for public hearings. There have been requests, not only from members opposite but also from various groups outside, to have hearings on this bill, and it is certainly our intention to have a full and complete debate on it in the committee. I hope it will be a set of hearings similar to those we had on the Planning Act, and I think the members opposite will agree that although we have not agreed on everything at those hearings on the Planning Act, certainly the hearings have been very open and have been a model of the proper process for a bill to be heard in committee. I hope we can have a similar set of hearings for Bill 11 when it gets to the justice committee later on this summer.

This bill has had a fairly long history before this Legislature. It had been introduced in various forms several times but was introduced in this form in October 1981, and reintroduced this spring as Bill 11.

This will give all local municipalities a general authority to pass bylaws to license and regulate any business carried on within the municipality as long as those bylaws do not conflict with provincial statutes or regulations, or do not try to license those businesses which the province licenses. This general licensing authority will replace a large number of specific provisions in the Municipal Act for licensing and regulating a variety of specified trades and businesses.

8:10 p.m.



I think honourable members know there are many clauses in the Municipal Act with different rules and regulations for different types of businesses. We always get requests from individual municipalities and private bills from the Association of Municipalities of Ontario to allow them to license another business or a different business. It seems to us that the proper way to do it is to say to municipalities, "You have general authority to license those businesses you wish as long as they do not conflict with provincial or other statutes."

In addition to simplifying and consolidating municipal authority to license, this bill will transfer to municipal councils the authority now vested in police commissions to pass bylaws. It will also remove the status distinction among municipalities related to the types of bylaws they may pass. As members know, we are attempting to remove status distinctions throughout the Municipal Act; that is, the different powers of cities, towns, villages, townships and so on.

This bill will also establish for the public a right to a hearing when a licence has been refused or revoked.

Most important, this will allow municipalities to charge fees for cost recovery. That is, they can charge a fee which on accounting principles will mean they break even on the licensing of a particular business.

Following introduction of the municipal licensing bill last fall, printed copies were made available to municipalities and interested associations. A number of comments were received, most of which supported the general thrust of the legislation. No changes have been made in this bill since last fall.

As I said at the outset, when we do receive second reading of this bill, it will be my intention to move it out to committee for full hearings.

**Mr. Epp:** Mr. Speaker, I was glad to hear at the outset that the parliamentary assistant indicated this bill will be going to committee, as has been indicated to me on various occasions. I would have second thoughts about supporting the bill, as we plan on doing, if this were not the case, because we have serious reservations about some parts of it.

However, in total I must indicate I am supportive of the principle of giving greater autonomy to municipalities. As you know, Mr. Speaker, this has come up from time to time and this bill, in essence, does that. It gives the municipalities an opportunity to control the licensing within their jurisdictions.

This bill has been in the making for many years. When I first came to the Legislature in 1977, I remember I had one of the small offices in the north wing on the main floor. That was before somebody on high decreed we should have offices with windows in them, and my particular office did not have any windows. I remember this bill being drawn to my attention at that time. So it is at least four or five years, and may have preceded even that date, when people were seriously thinking of bringing in a bill.

The parliamentary assistant did not refer to it, but I think this is the third bill that has been introduced in the Legislature. The others have died a normal death, somehow or other. This one will at least survive second reading today, I hope, and maybe go on to committee and greater and better things.

One of the stipulations is that municipalities will be able to charge \$10 as a fee. If there is a precicensing inspection, they will be able to charge \$25, or they will be able to charge the equivalent of the administrative cost of exercising the licensing authority or of administering it.

I think this has been one of the big things that has held up the bill to date. I know the government, AMO and individual municipalities within that group could never come to any kind of consensus on the matter. I presume there is a great deal of consensus now, but certainly not total agreement, as to this stipulation. I am sure we will hear more when the municipalities, and, for that matter businesses, which are equally important, come before the committee and put forth their views.

I received a letter from the city of Burlington last week. The city has a particular concern with respect to the issuing of licences while business taxes are in arrears. Burlington councillors feel that if a firm's business taxes are in arrears it should not be issued a licence. Based on their experience, over I am not sure how many years, they indicate they have been able to collect their business taxes when people pay their licence fees. Because they want their licence, they pay their taxes.

I am sure they will put forth very eloquent and forceful arguments before the committee, where we will have an opportunity to judge the matter more thoroughly than we are able to do here. Certainly we will get both sides of the argument from municipalities and businesses as to the advisability of that particular policy.

The Metropolitan Toronto Board of Trade has expressed some serious reservations. I notice

the parliamentary assistant did not refer to the letter they sent to the Minister of Municipal Affairs and Housing (Mr. Bennett). I am surprised he did not mention it; I would have thought a person who comes from Metropolitan Toronto and receives important letters, such as the one from the Metropolitan Toronto Board of Trade, would have referred to it very readily.

After looking at it a second time, we can understand why he did not refer to it. The board of trade recommends that this bill not go forward for second or any future reading. The board is very much opposed to it. I would have thought the parliamentary assistant, if he had wanted to be objective about the whole matter, would have drawn it to our attention. Everybody here, just waiting to get into the debating game, would have brought forth forceful arguments in favour of the bill and forceful arguments opposed to the bill. Since the parliamentary assistant had a mental lapse and did not do that, I will draw to your attention, Mr. Speaker, some of their concerns.

They are very much concerned that municipalities will have control over such things as morality, protection of residents as consumers and the control of noise, safety, health and other matters. I am surprised that it is the Metropolitan Toronto Board of Trade which expresses this concern. I could understand its coming from a board of trade or chamber of commerce from a very small municipality which does not have the staff or bureaucracy to look after these various matters, but that does not apply to Metropolitan Toronto, the city of Toronto, Sudbury, Barrie or even Hamilton. It does not apply to any of those fine municipalities, and I am surprised that the board would express this concern.

Nevertheless, they are legitimately concerned and I look forward to hearing their presentation. I am sure they will elaborate extensively on the points they made to the Minister of Municipal Affairs and Housing.

One of their concerns is that there will be widespread differences, and I do not doubt that this will be partly the case. I do not think for a moment that even the municipalities within Metropolitan Toronto all will have exactly the same licensing features and criteria, let alone Metropolitan Toronto compared with a small municipality of 1,000, 1,500 or 2,000 people.

Those are legitimate concerns and the committee will have to pay some heed to them and, if possible, try to correct them. Sometimes these

viewpoints cannot be rationalized or grouped in any sense.

There is also the concern that there are going to be additional costs with the licensing, because up to now, and until the new bill comes into effect, the provincial government has played a bigger hand in this. That is also a legitimate concern.

**8:20 p.m.**

An interesting part of this is that these bylaws will expire after five years. There is a natural sunset law that comes into effect here. We on this side of the House have been in support of some form of sunset legislation. I particularly endorse that aspect, because I think it means the municipalities will have to look closer at the legislation after a period of at least five years and in succeeding five-year periods, or periods similar to that number.

In summary, I am pleased that this bill will be going to committee. We support the bill with some serious reservations which we will develop in committee. I look forward to serving on that committee if I get the opportunity of doing so.

**The Acting Speaker (Mr. Cousens):** The member for Oshawa.

**Mr. Laughren:** Oshawa-Nickel Belt.

**Mr. Breaugh:** Mr. Speaker, the Oshawa-Nickel Belt axis is at work here.

We have followed with great interest the kind of machinations that brought about this bill. It is true that it has been the subject of great argument for a lengthy period of time. It speaks to a rather substantial problem many municipalities have these days in attempting to deal with various kinds of businesses, issue licences and put together something that will deal with the realities that are present in everybody's municipality.

One of those realities is that the municipal level of the government often tries to work as a creature of the province and sometimes has to work under legislation that is somewhat dated. Most of us who have had municipal experience understand it is a little tough to figure out why it takes a motion of council to give somebody a taxi licence, but it often does. That simple act often gets one into a whole field that one really did not want to get into or is not particularly geared up for, that of regulating an industry. In large measure there is a lot of unfairness there, the licensing of taxicabs being one example.

Part of what a council does is it gets an unofficial quasi-police report. I do not understand why that happens when somebody wants



to drive a cab. I suppose there are long-standing historical arguments that have been made about extraneous adventures that cab drivers occasionally get into. But it seems to be a measure of unfairness that someone could be denied a licence to operate a taxicab in any municipality in Ontario because of something that has no real status.

On a number of occasions when I was operating on a council, we got the word from the local police force, usually through a sergeant or somebody who came over to a committee of council and said, "This person has a questionable background." It is not a matter of public record that the person is a criminal, that he or she is under surveillance or has done something wrong in the past. There is a quaint level of gossip and rumour that functions, usually behind closed doors.

The net effect is that someone often can be denied a licence to operate a taxicab because of a report that has no status. It is not an official police report. It is a kind of reference from the local police commission or the local police officers as to who should or should not get a licence to operate a cab. There are lots of problems there.

There are other problems addressed in the principle of this bill that try to get at that age-old thing. Sometimes municipalities are granting licences and permits in areas where fees are fixed by provincial legislation. Those charges often go for a lengthy period of time without any adjustment. Municipalities are often caught in a situation where they have an obligation to provide a person with a licence. Part of that obligation often means some staff time is involved in preparing reports and monitoring a situation. On occasion, a \$20 licence fee will cost a municipality a couple of hundred bucks to collect.

Supposedly, somewhere in the principle of this bill are mechanisms which address themselves to the ancient argument that a municipality, when it is operating as a licensing agent, ought to be able to recover its cost. I am not quite satisfied with the basis that is put inside the principle of this bill. When it goes to committee, I would like to hear a little more explanation and a little fuller debate as to precisely how that mechanism will work and be put in operation, and how it will be monitored and adjusted accordingly.

On the other side of the coin, it strikes me that I have seen situations where municipalities do not want something to happen and so simply

make the fee for the licence prohibitive. It seems to me that is also wrong. It is an awkward mechanism and one that I think is wrong. Municipalities should not be doing that. There are little loopholes in various pieces of legislation which allow them to do that, but that does not make it right. It makes no sense to me, whether it is some kind of an adult entertainment parlour, a body-rub parlour, a strip joint or whatever the operation is. If it is illegal, shut it down. If it is not illegal, the municipality cannot de facto make it illegal by setting a prohibitive licence fee, because that is wrong.

Nor should a municipality, in my view, be allowed to set some arbitrary limit and get into the ludicrous situation of being able to decide, "We are not happy to have a lot of strip joints in our town, but we would be satisfied with 13." Why 13 as opposed to 14? I do not understand that at all.

If an operation is illegal, then I see grounds for a municipality or the province or the Criminal Code of Canada to say so. It is my understanding that we have a court system out there to make those decisions. If it is illegal, it cannot function. If it is legal, a municipality has the right to regulate and to license—I am prepared to give them that—but not to discriminate and not to prohibit. In my view, the principles enunciated in this bill come close to that mark but are not very explicit on the matter.

When the bill goes to committee, I want to get that into more definitive wording so it is made clear that the purpose of the exercise is to establish that a municipality can have the right to license something and to recover its expenses. Also, in doing so, just out of fairness, it is absolutely essential that it also should be made clear that it is wrong for a municipality to choose as a practice to make its licence fee the vehicle by which it stops some activity from happening. There should be a provision for monitoring that.

A number of people have approached me on this bill with great fear that it is sort of Orwellian in nature; I suppose, since we are only two years away from 1984, we should be getting used to this kind of thing. However, the principle of this bill contains some ramifications which, if the bill is left in its current state, will disturb me somewhat. I have stated that we support the basic idea behind the bill and that the principle of the thing is acceptable to us at second reading, but when it goes to committee, I think it must be made clear that there are problems with the bill in its present state.

A number of municipalities have written to me and people who are on council have argued that this licensing bill is something they must have in some form. So I want to make it clear that what we are talking about is the form itself, to establish some measure of fairness. The bill should be equitable and allow municipalities to license but not to prohibit, for it is my view that a municipal council is not elected to set some kind of moral standards for a community. I have no objection if the municipality in some way participates in that process, that is okay by me, but I do object when somebody who is elected to a municipal council takes on the role of judge and jury.

I recognize that there are provisions in the bill for hearings, but again they are not in a court of law nor a place where an individual can have the full rights that a judicial system offers to an individual in this country.

I want to deal with some of the aspects that might make some of the members nervous. It appears to me that a number of municipal councils have decided that strip joints are not "desirable." I suppose there is some basis on which all of us could agree that there are some types of adult entertainment which we would rather not have around, and I go back to my original point: if that is the case, let us write laws which say those things are illegal. Let the law be clear and let the courts play their proper roles and the legal decisions come down. I have no objection to any process that fulfils those criteria.

**8:30 p.m.**

What I do object to is a municipality deciding that what they want to do by means of a zoning bylaw or a licensing bylaw is really to establish clearly something that, if it were any activity other than a strip joint, would outrage the world. If we simply replaced the words "strip joint" with the word "church", and if we decided that municipalities could in effect regulate the kinds of churches that are going to operate in a community, there would be outrage. People would say: "That is wrong. We do not elect municipal governments to make that kind of decision. The courts can be used; there are provisions in the Criminal Code and charges can be laid. But we do not elect our municipal councils or our provincial Legislature to make those judgement calls."

Those are judgements that should properly be made by a court. There should be police investigations into all of the allegations anybody might care to make; but after that point it is not

police officers who decide what is right and what is not right, in other words what is legal and what is not legal, a court establishes that. Very simply, the reason for this is that we have a long history of a judicial system that gives both sides all due occasion to make their arguments, and there is an appeal process; but a municipal council is not really set up, nor are the people there trained, to make those definitions.

I am afraid this bill, in large measure, puts a job on members of a municipal council that they probably would not want; but even if they want it they are ill equipped to handle it. I am leery of provisions in this bill that might be taken and extrapolated somewhat so that municipal councils can do that.

I am sure all of us are aware that in a number of municipalities around Ontario this is exactly what is happening: what purports to be a matter that can be defined under the Criminal Code of Canada—that is, what is obscene and what is not—in practice, on the ground, is decided by a local police force deciding whether it will or will not prosecute; and this very quickly gets us into the whole argument about how the Liquor Licence Board of Ontario operates with regard to taverns and tavern owners and a whole measure of unfairness.

While I am not making a valiant case here for strip joints, I am saying that proprietors of taverns, people who work in those situations, simply deserve fair play; they deserve their day in court. If something like that is illegal, prove it; if the practices that are going on in a tavern are illegal, prosecute them. That is fair to me.

In a lot of what I have read and a lot of the discussions I have had there is almost a form of class discrimination at work in which people say that a tavern which has dancers in it has got to be an evil place; they spread all kinds of innuendo, that there are illegal acts going on and that it is just a terrible place.

I want to put on the record that, in my view, there is no difference between a tavern, where a guy goes to have a few beers and watch a dancer, and the finest restaurant in this town. There is every bit as much likelihood of finding a criminal act in some of our more expensive restaurants, every bit as much likelihood that you will find undesirable characters there. The only difference I can see is that in one place it is going to cost you \$10 to spend an evening and in the other you will probably not get past the hors-d'oeuvres for \$10.

So I think there is a lot of unfairness at work and, unfortunately, if this bill is interpreted in



certain ways, it will exacerbate that unfairness. I think that is wrong, and it is something I want to see corrected when the bill goes through its hearings in committee. The hard facts, as I see them, are that several municipalities are using very unorthodox techniques to accomplish something they probably should not even be working on in the first place.

It makes no sense to me that in many municipalities, my own included, I see a zoning bylaw going through that is insane; that is to say, a zoning bylaw that attempts to regulate certain types of entertainment by a zoning technique and comes up with a crazy patchwork-quilt zoning bylaw that is a perversion of the original principles behind zoning bylaws as I understand them. It seems to me that it makes the municipality look bad; that it has the municipality in a field where it does not belong, where it is not apt to do a fair and equitable job. The whole thing is just plain nuts.

I do not share some of the concerns, although I understand them, about things like video games. It is current and trendy in municipal politics to be against two things: strip joints and video games. I do not understand that.

I want to address myself to those two things. I do not patronize strip joints much these days, but, like every other young man, I spent a good deal of time in places which, to be polite, would be called not exactly class operations. I spent a reasonable amount of money there. Every university student I ever met did exactly that. I do not want true confessions in here, but I think most members have at some time at least walked by the outside of a place like that without any undue consequences. Fashionable or not at the municipal council level, the attitude I am talking about is hogwash and ought to be dealt with in that way.

The other thing I do not understand is the current tirade against the video games. I have a couple of kids who on occasion have played video games. I have seen them. I cannot confess to having played them. That kind of thing does not excite me much. In my day, I guess the equivalent of the video game was the pool parlour. I remember in my neighbourhood, my mother used to rail against Killoran's Pool Hall. So much so it made me go and take a look at that pool hall. I thought there would be real excitement there. There had to be dastardly deeds going on.

My only relationship with the guy named Paul Killoran who ran this particular pool hall is that, when Paul closed up for the evening, he would

wander home. He had about four blocks to go and could only make it about two blocks at a time. He used to stop outside my house and give me a candy bar, and I would assist Paul through the remainder of the journey home. When I went to visit his establishment, I failed to understand the loving relationship that had been established between it and my brothers, who spent much more time there than I did. I think that is—

**Mr. Epp:** He said a lot of nice things about you.

**Mr. Breagh:** He was a fine man.

I do not understand that mentality. If a pool hall or a pinball parlour or a video game is all that evil, then make them illegal. I do not believe they are. I understand the same arguments are being used now about video games and pinballs as were once made about pool halls, that these are trouble spots in the community and ought to be eradicated.

I do not know what happened to the great game of pea-pool, but somehow it has become respectable. They put carpets in the place and now women are shooting pool, a great stride forward for equal rights. Every time I see someone shooting pool these days, he is wearing a tuxedo and he is on national television. I think that is just great, but they are still playing pool which, when I was a kid, was supposed to be an evil occupation. It somehow warped the mind, made one go bad. I had two brothers who spent a lot of time in a pool hall and neither of them turned out too bad. I daresay there are a lot of members in this Legislature who occasionally dropped into a pool hall—

Interjection.

**Mr. Breagh:** I would hope the New Democrats would be there with the working men and women of Ontario shooting a little pool. I was in a pool hall today just before I came. I report there were no riots, and nobody had lost a great amount of money. The balls were getting racked up. There was a lot of gossip flowing around, but it was not an evil place. That is the point I am trying to make in all of this. A lot of these places which somehow have become very trendy for municipal councils to attack are not evil. They are relatively harmless.

I could make not a bad argument that that is where a working man or woman goes for relaxation. They perhaps cannot afford to go to what might be seen to be—let me take something that looks on the surface like a rather high class joint, that is the Imperial Room at the

Royal York Hotel. That has a reputation for being a fine establishment. I do not see any zoning bylaws on the books of Toronto to attempt to get at the Royal York Hotel to put it out of business. I understand a topless revue is being shown there. More than that, if the review I read over the weekend in the Toronto Star was right, it is not sexist in nature, it is fair. There are male and female strippers at work in the Royal York. I want to make sure this little piece of legislation before us today is not used to shut down that operation or any other one. If there is a law being broken, let—

8:40 p.m.

**Mr. Rotenberg:** That rates a committee tour.

**Mr. Breaugh:** The member for Wilson Heights suggests that some committee make a formal tour. I am a proponent of—

**Mr. McClellan:** This is not the company law committee.

**Mr. Breaugh:** This is not company law. I think the members can find their way to the Royal York on their own and should not have any problem seeing whatever it is they want to see.

I want to point out to those who might be worried the term “strip joint” is somehow sexist, that is no longer true. I cannot recall whether I have ever been an observer at any of these shows. I probably have. I will admit to it, even though I am not sure. There is now a big deal called male strippers. I cannot imagine why anyone would pay hard cash to go to see that when they could go to a locker room and get the same show for nothing, but apparently it is a business; there is equal treatment for all and there is no sexism involved.

One or two groups do make me a little uncomfortable. The Board of Trade of Metropolitan Toronto and the Ontario Chamber of Commerce have been mentioned as groups in our society that have some problems with this bill. At the risk of being caught on-side with either the board of trade or the Ontario Chamber of Commerce, I have to say I do support some of their apprehensions about the bill. It basically has to do with the broad-ranging principles in this type of legislation.

Other groups, like the Canadian Mobile Sign Association, have some feeling they are being shut out of business now by some municipalities saying the reason they cannot operate is that the municipalities do not have a clear right to license that group. It is strange that in some municipalities such as mine there are all kinds of

mobile signs around; in other places it is somehow deemed to be illegal.

I share, with some fear, the concerns expressed by the Ontario Chamber of Commerce on this matter. I think this one sentence from its letter nails it down, “While it is our belief that the intent of the legislation is to allow municipalities a greater degree of control over what might be deemed unsavoury businesses”—I dare say its definition and mine of an unsavoury business might differ immensely—“the effect of the legislation as presently drafted might be to give municipalities too great a power over individual businesses in their community.”

Frankly, I think that is a reasonable concern because I do not see the balance I want in the principles that are laid out in the bill we are debating this evening. Somehow the right of appeal to a council over a council decision is seen to be the balancing act that is in there. I am afraid that causes me some problems.

If one is sitting on a municipal council and the majority of the council passes some resolution, bylaw, licensing application, whatever, is it then fair to come back to that same council or a committee of that council as the appeal process? I have some difficulty with that. It strikes me that if one moved over into the judicial side of things—

**Mr. Boudria:** Ontario Housing Corp. thinks it is a fine policy. It does it all the time.

**Mr. Breaugh:** I am not here to defend Ontario Housing, that is for sure.

If one moved over to the judicial side of things and said, “We have a court decision from this judge and this is what it is;” and one’s appeal process was to go back before the same judge a second time and reargue the case, many of us would say that is not a practical way to deal with the matter.

That agency, that judge, has made his or her declaration on the matter. That judgement is out there.” If one wants fairness in an appeal process, one wants to take it outside of that and go to a higher court, go to another court. It seems to me the concerns in this letter from the chamber of commerce, mirrored by the concerns of the board of trade, are ones that have to be addressed.

I am simply saying, again, let us not run the risk of leaving it in words so that we are stuck with someone out there having to define what is an unsavoury business. I do not think that is the job of a municipal council. I know there are those who might disagree with me. I am happy to say a municipality has a right to point out



there are things going on which it does not like, just as I or any other group in our society has things one thinks ought to be illegal and to pressures this House or the federal House which then passes appropriate legislation which defines the legalities of the matter and then sets up a court system to deal with it; but I do not think that whole process is a job of the municipal council.

I do support the basic concept that they have a right to regulate. There is a need now to clarify and a need for a municipality to license, but I want to point out some of the unfairnesses that have been brought to my attention.

Municipalities have changed as they go through the process. The heart of this bill is that this is all going to go to the municipalities. I do see some logic behind this government saying they would like the municipal governments to take on this task, but I do not think it is quite that neat.

There are many examples of municipalities that less than a year ago said to certain individuals: "We are allowing you to go into business." Clearly they understood what kind of business was being offered here—a tavern operation with some entertainment that would be either male or female dancers of some sort.

Municipalities knew that and granted permission for building permits. Individuals went to substantial expense. Businesses were established. People were hired to work there. Less than a year ago in some cases, municipalities with full knowledge and awareness of what was going on allowed these businesses to go into operation.

Now several of these municipalities, Etobicoke being one, have decided they do not like that business. In my view, simple fairness says if that is what a municipality wants to do, it should have said so in the beginning. If it was so upset with the type of tavern that was being operated, it should have made that clear initially. It should not have got to the point where they allowed somebody to go in, completely renovate the building and hire staff, and then get caught in kind of a backlash effect here.

That is wrong. If we are talking about morality, in my view that is immoral. To allow someone to invest in a business; to allow people to get hired as waiters and waitresses in these places—many of them people who if they did not have that job might be on unemployment insurance or welfare—and then to do that, is immoral. Many waiters and waitresses who work in these institutions have family obligations. They need that job, and in my view it is immoral for a municipality to come along a year

after the business was started and say: "This job is no longer going to exist and we are going to licence this business out of business and all of you will be unemployed." I think that is immoral if we want to talk about morality.

A number of problems are brought up in this bill, and to try to give some perspective I think we would have to admit that in a number of places like the city of Toronto, local government has tried to do something, has tried to respond to a situation in their community that they are ill equipped to deal with. This bill is in some measure attempting to correct that.

It is my contention, although the principles are supportable, that the draft of this legislation and the actual bill itself wander from the intent, which is simple, clear and supportable, and take us well into fields that should not be included. I think what I am arguing for is pretty simple.

When this bill goes to committee, we will have an opportunity to hear from municipalities, which is reasonable. I do accept the validity of their argument. We will hear from business people who are having their livelihood threatened and, more important from my point of view, we will have an opportunity to hear from the people who are directly affected. In other words, they are the people who are probably going to lose their jobs because of this particular bill now before us. Many of them will have lost their jobs already because of an action of a municipal council. I think that is unfair and those things have to be corrected in committee.

The bill seems to be something we would have no problem with. If we stick to that simple principle and virtually ignore the rest of the text of the bill, that would be true. I want to get the concerns out front. I want people to understand what we are dealing with here and that there is unfairness almost on all sides. For a long time municipalities have lived with unfair pieces of legislation, almost whimsical in nature, some of which are quite ancient and were passed by this Legislature some time ago. That is unfair to the municipalities and needs to be cleaned up.

**8:50 p.m.**

They are attempting to do things through zoning bylaws that have nothing to do with zoning. That is an exercise in futility. I have read, for example, some of the reports on Etobicoke and other places from planners attempting to discern exactly how we can undo what we did last year. I have spent a great deal of time in my municipal career on planning committees. I know planners are devoted folks and skilled professionals in their field, but they are



not skilled in designing morality laws. They are good at planning exercises and drafting zoning bylaws. When they are asked to do things that are beyond their expertise—they are not lawyers, they are planners—they get into hot water right away. I am saying that should be stopped.

Quite frankly, I hope that a number of the municipalities, such as Etobicoke, which have in the works right now zoning bylaws that are restrictive, punitive in nature and unfair because they are a radical change from what the rules were less than a year ago, will put those things on hold. They can come before the committee, make their arguments here and let us resolve them. Most important, all I want is a bill that allows municipalities to license fairly, to collect a reasonable fee and, in particular, to see if the proposals that are forthcoming will actually allow them to recover their costs—I think that is only fair—but not to become prohibitive. The fee itself should not be a mechanism used to prohibit any activity in our society. That one has to be nailed down.

The problem of whether municipalities are in fields in which they really should not be is another matter of some concern to me. Some clarification of just how broad-ranging this licensing bill is really going to be in practice is important. In addition to that, I want to see some fair and reasonable appeal process. In my view, it is unlikely to be fair and reasonable if one goes back to the same people who made the decision initially.

This bill is a little far-ranging. It does have an underlying current of unfairness. If it is used, as I suspect it could be used in its present form, as something that will allow a municipality to prohibit a business, I think it is wrong. If it is used as something that allows a municipality to regulate and license some business activity, I think that is fair; but the question of whether the activity is legal or illegal is not one a municipality is even designed to deal with. That is a matter for courts to decide. I know there is a measure of great unfairness from one municipality to another under the current situation. I am anxious that problem be resolved.

It often involves interpretation of the Criminal Code by police officers. None of us can find out even what their names are. It is one of those rare occurrences where, at the whim of a police officer, certain kinds of performances are allowed in one municipality and not allowed in another. I do not mean to be derogatory to the police officer, but he is not a court or a judge and should not be making that call. The call, of

course, is whether or not the police will prosecute. We have all heard of instances when, perhaps with good reason, two or three police officers have sat in a tavern all day. I do not see that should be a priority. There are enough unemployed people around here who will be sitting in the taverns all day as it is.

I want to see that measure of unfairness taken out of this bill, or at least I want to see some protection so that what I see as an abrogation of the principle of the bill will not happen. That is important. I know there are many people who are anxious to appear before the committee and put their cases with the actual facts regarding what is going on in Ontario today. If there ever was a case of harassment, there are a number of tavern owners who have been to see me who have clearly made the case that they are being harassed. Their businesses are being threatened.

A little more pertinent, from my personal point of view, there are a fairly large number of people who are losing their jobs because of all this uncertainty. It is the uncertainty that is causing them to lose their jobs. It is not clear, by any stretch of the imagination, that anything illegal is happening. It is clear that some municipalities have decided they do not like those kinds of operations in their municipalities, but it seems to me that is unfair and it is not their decision to make.

The bill itself does considerable lumping of things called “adult entertainment parlours.” I do not know what the hell that means. I know what a bar is, I know what a strip joint is, I know what a beverage room is, but I do not know what an adult entertainment parlour is. I do not think there is much here that clarifies it for me, and I think there are some distinctions to be made.

My personal opinion would be to make some clear distinctions and probably be a little tougher on certain kinds of operations than on others; but there is a measure of unfairness that flows through this bill which causes me some concern. This bill is open to considerable abuse, which bothers me immensely. I have an uneasy feeling, perhaps because of the people I am associated with here. It is not often that I get aligned with the chamber of commerce, the board of trade and the strip joint operators all on the same day; but I am, and so I view this bill with some trepidation.

There is a lot of work to be done on the bill in committee. I say this knowing the long history and background that has gone into consultation and preparation for this. It may be true that municipal organizations have said, by and large,



"This is the type of legislation we need." Perhaps they have even gone so far as to say, "This bill is the best we are going to get." I simply want to make the argument, and we will make it in committee, that there are people in our society other than the municipal organizations who have a right to be heard on legislation of this type.

It is clearly the type of legislation that could be abused with some ease. If you put it in certain hands I am sure the board of trade and the chamber of commerce would get off my side if we went into definitions of what an unsavoury business is. There would be that problem. All I am saying is that this is not the type of legislation which is designed to handle that problem. It would be a misuse of the municipal government and a misuse of this act.

Many people have put the argument on the other side, and I do accept the basic tenets that are supposedly the principles of this bill. I am putting all of those caveats on it because I am unhappy with the current status of the bill. I am always unhappy when I think that people setting out to do good things create bad things for other individuals. That is wrong, and in a free society we should have mechanisms whereby we can resolve those differences.

I am aware there are going to be a lot of folks who may not appreciate the type of operation I am defending here, and I do not mean to defend any type of operation. All I mean to say is that no matter what the business is they deserve the same as any criminal would get, and that is a fair day in court; they do not deserve to be put out of business or to lose their jobs no matter what their activity is so long as that activity is legal.

The bill is far-reaching. It is one that I believe could be subject to great abuse and misuse, and I say this without meaning to cast aspersions on municipal councils; I believe they are trying to do a job. I just believe they are ill-equipped to handle this one in this way.

So we will follow the bill as it goes through committee. I have tried to lay out the areas where I have concerns and where I need to have those concerns laid to rest as the bill goes through the committee hearing stage and then to clause-by-clause debate. I am concerned that in a sense we are perpetuating unfairness and abuse in our own society and in our municipal government system right now by not doing anything about it.

I have several problems with the bill. The intent is just fine. It is all of the practical ramifications of what will happen if this bill

becomes law in its present form that concern me, and I want to see safeguards put in place. When we have the hearings and get the bill back for clause-by-clause discussion I hope, at any rate, that I will be able to look at it, see it in a slightly different form and say, "Not only have you captured the intent, which I support, but you have put together a piece of legislation that is practical and fair for all concerned." That is my problem with this bill.

**Mr. Rotenberg:** Mr. Speaker, I would like to thank the two critics for their support of the bill in principle and for sending it out to committee.

In my initial remarks I did not deal with some of the letters or some of the points that have been made—I have received them, as others have—because of the feeling that it would go out to committee. In this circumstance I felt that was the proper place.

**9 p.m.**

I would like to thank the member for Oshawa (Mr. Breaugh) for outlining his concerns because I share some of those concerns, perhaps not in total but at least in part. Certainly they should be discussed in the committee when we get to them. I am sorry the member is concerned about the Royal York Hotel. I would point out to him that I have been to the Genosha Hotel. I find that a fine place, and I am sure he is quite happy with the Royal York as well.

The member for Oshawa has two basic concerns. One is a proper appeal procedure. In this bill we have taken much of the present legislation and put it into what we consider a better form. Certainly there is a better appeal procedure now than there has been over many years in licensing. That does not mean it is the right procedure, but at least we have taken a step in the right direction. I am quite prepared in committee, in hearings or in clause-by-clause discussion in committee, to discuss with the member for Oshawa and all members opposite whether we can improve the appeal procedure. I agree that when a member of the public is denied a licence he has to have that denial made through proper legal procedure and not on the whim of a politician.

The other point the member for Oshawa raises, and again I say it has some merit, is the whole problem of adult entertainment parlours. Let me point out again to all members of the Legislature that this legislation is almost the same as the present legislation in the Municipal Act. It has been modified slightly and has gone a

little way in the direction the member for Oshawa wants.

Let me point out that when this legislation was passed, not many years ago, it was passed under a wave of public indignation. To the best of my recollection and the recollection of our staff, the legislation passed virtually unanimously in this House with support from all parties. In fact, to the best of my recollection, the only member of the Legislature who did object to the legislation, on some of the same grounds the member for Oshawa raises now, was the former member for Lakeshore, who is no longer with us. He had some objections on that basis, but in the spirit of the times it was felt this kind of legislation was necessary to control what was happening out on the streets at that time.

Perhaps five, six or seven years later there has been some modification in public opinion and public perceptions. Some of the reservations the member for Oshawa has may not be reservations of the majority of the public. I am quite prepared to listen to both sides of this issue, because I am as aware as he is that there are a number of people out there who are concerned about the legislation. I agree with him that licensing should not be a means of prohibition. Except for the taxi business, which is a whole separate bag, and the adult entertainment business, everything else is only by cost recovery or a modest fee. Adult entertainment and body-rub parlours could have a limitation, a fee, which may be a little difficult for some people and may be prohibitive. I would indicate to the member for Oshawa that I am quite prepared to discuss that when we go to committee.

The other point he mentioned was video games. We have had a number of private bills from municipalities before us. As members are aware, I have resisted the passing of private legislation regulating video games. I indicated to both the justice committee and the general government committee at different times that there should be standard legislation, if any, for video games. There are some requests for general legislation, not to prohibit video games, because that can be handled by zoning if the municipality wishes, but to regulate hours and particularly to prohibit school children from attending video game parlours during school hours. When we get to committee, I hope we have some discussion about that and I hope the government will have a recommendation. Again, that is for the committee stage.

As I indicated at the start, I would ask to have

this bill pass second reading and then recommend it go out to committee.

Motion agreed to.

Ordered for standing committee on administration of justice.

#### MUNICIPALITY OF METROPOLITAN TORONTO AMENDMENT ACT

Mr. Rotenberg moved, on behalf of Hon. Mr. Bennett, second reading of Bill 29, An Act to amend the Municipality of Metropolitan Toronto Act.

**Mr. Rotenberg:** Mr. Speaker, like other municipal bills we have had this session, this bill is an omnibus bill containing a number of clauses, many of which are similar to those we have already passed in the municipal and regional acts. This bill also proposes legislation which will permit the Metropolitan Toronto Police force to absorb the Toronto Harbour Police and enable the Metropolitan corporation to enter into agreements with the Toronto Harbour Commission and the city of Toronto for this purpose.

The Toronto Harbour Commission currently administers the Toronto Harbour Police under an agreement with the city of Toronto, which has been paying the cost of the harbour police. I will be proposing an amendment, which I circulated to the opposition critics about a week ago, which will also permit the municipality of Metropolitan Toronto or the Metropolitan Toronto Police force to also absorb the Toronto port police by enabling the Metro corporation to enter into a similar agreement with the harbour commission for this purpose. The port of Toronto police are now employed and financed by the harbour commission. Legislation permitting the above agreements has been requested by the Metropolitan Toronto council.

In order to rationalize police-related activities across the entire Metropolitan Toronto waterfront, the request to have the legislation permit agreements to absorb the port police as well as the harbour police is supported by the city of Toronto, the Toronto Harbour Commission and the Metropolitan Toronto Board of Police Commissioners. The request has come from Metropolitan Toronto council.

This is permissive legislation which allows the agreement to be made for the harbour police or for the port police or for both. If no agreement is reached, nothing will happen. As I say, the legislation does not guarantee that such agreements will be reached, because it is permissive.



But I am informed that the agreements are well under way and that there seems to be general agreement in principle among all the parties concerned that this will go forward if we pass the legislation. It is the government's view that the agreements which are permitted can be worked out in good faith by all the parties at the local level.

In addition to the police section of the bill, the bill makes a number of minor amendments to the Municipality of Metropolitan Toronto Act. These include, as do similar provisions in other acts, as I have indicated, provisions for resignation and disqualification of Metro councillors, a method for changing the status of area municipalities, and I will be proposing an amendment to alter the vacancy provision of this Metro bill.

As the Metro act is now written, a member of Metro council who is absent for one month without permission would lose his Metro seat and his local council seat. I will be introducing a motion to put Metro on the same basis as all other municipalities by providing that a member of the Metro council may be absent for up to three months without permission, which is the same as all other municipal councils.

Many of the other provisions are routine housekeeping provisions and I would commend the bill to this Legislature.

**Mr. Epp:** Mr. Speaker, this bill is very straightforward and underscores a number of things that have been dealt with in previous bills, such as dealing with vacancies, resignations and so forth. As the parliamentary assistant has indicated, one provision deals with the port police and the harbour police. As I understand it, the negotiations are proceeding fairly well with respect to it.

I would be interested in hearing what the parliamentary assistant has to say about the main objections of the police associations. It is typical for the parliamentary assistant to always dwell on the things that they agree with but he very seldom deals with any of the things where there is disagreement. I would hope he would elaborate on the disagreements that have held up the consummation of the various agreements.

We know that as far as the benefits are concerned some police officers are not very much in agreement with the provisions in the act. I also wonder whether we are going to end up with more than one police chief. I come from a region which has two police chiefs. That is not a very healthy setup. It is a very expensive way to deal with the police force. I wonder how the

police chiefs of the various organizations are going to be integrated into the Metropolitan Toronto Police. For the benefit of the members here, the parliamentary assistant could elaborate at some length on these problems that I have raised.

**9:10 p.m.**

**Mr. Philip:** Mr. Speaker, I believe our critic will speak at some length on this, and he is just getting some notes together.

As the parliamentary assistant to the minister well knows, the particular area I have been concerned about relates to making sure the port police have their rights protected. I tabled a question some time ago, question 223, which the parliamentary assistant may have. I told him I would be asking about this. There is an extra copy of it here if one of the pages would take it over.

At that time I asked: "Would the Minister of Municipal Affairs and Housing table all correspondence between his ministry and the municipality of Metropolitan Toronto concerning the rights and interests of the port police as a result of Bill 29? Would he provide assurances that he will not proceed with Bill 29 without assurances that the port police will not receive less in pension benefits under the amalgamation than they now are entitled to and that their present jobs will be safeguarded?"

That was tabled on June 15. The answer I received—I think it came in today—was: "In view of the generally accepted privilege in written communication and in view of the inherent element of confidence in exchanges between different levels of government, it is deemed inappropriate to table the correspondence related to this matter at this time."

I can understand that answer, but what I am asking is that the minister give us some assurances before we give assent to what is really a bill that does not deal directly in a very specific way with this particular item. Would he give some assurance that part of the negotiation process in allowing this bill to come forward was that the port police are going to be protected?

In my own riding—and I know that the member for Riverdale (Mr. Renwick) has a number of people in his riding who are similarly affected—these are men who are in their fifties. They need assurances that their jobs are protected. They should not suffer disadvantages in terms of their pensions. They have devoted their lifetime careers to serving the public, and while the minister's amendment gives us some hope, I would still like some specific informa-

tion from the parliamentary assistant on the results of these negotiations, where they are at and so forth.

Understanding the reason the minister cannot table the correspondence, perhaps he can give us an outline of the content of that correspondence, tell us where the negotiations are and give us some assurances that these people are not going to be sacrificed in the process of the worthwhile goals of the amalgamation.

**Ms. Bryden:** Mr. Speaker, it would appear that all of the opposition speakers are mainly concerned with the police issue and the amalgamation of the port police and the harbour police with the Metropolitan Toronto Police under this bill. I understand what the parliamentary assistant says, that it is permissive legislation and no such amalgamation may take place, but I think we should be prepared for the possibility and that is what the legislation does provide for.

We should receive some assurances that the people will be protected, and it should be perhaps a part of this legislation that the provincial government, in giving this permissive power, will insist that employees of the harbour commission and the port police are guaranteed their working conditions; that their seniority and their status are not altered substantially by the merger.

My colleague the member for Riverdale has been particularly concerned with this issue. He had a constituent who was a seaman in the Toronto Harbour Police and was quite concerned that his conditions would be detrimentally affected by the merger.

The member for Riverdale corresponded with the chief of police of Metropolitan Toronto and with the Minister of Municipal Affairs and Housing (Mr. Bennett) on the problem of this constituent. The member for Riverdale provided me with a copy of a letter that was addressed to Mr. Rotenberg and signed by the acting deputy chief of police for the Metropolitan Toronto Police force.

**The Acting Speaker (Mr. Cousens):** The member is to be reminded, although she tries at times, to use the constituency from which a person comes.

**Ms. Bryden:** He is the member for Wilson Heights (Mr. Rotenberg). That is the riding.

If the member for Riverdale had been able to be here tonight I think he would have asked for some assurance from the minister that there would be something in the bill which would

require the maintenance of the position of the present employees of the Toronto Harbour Police and port police.

I would like to read this letter into the record. It is only two paragraphs. It was written to the member for Wilson Heights, who I presume had also inquired of the Metropolitan Toronto Police in response to the member for Riverdale's letter. It says:

"Dear Mr. Rotenberg:

"With respect to your inquiry regarding the future status of personnel bearing the designation 'seaman' who are presently serving with the Toronto Harbour Police, I wish to inform you that the impending amalgamation of the Metropolitan Toronto Police force with the harbour police is extremely unlikely to have an adverse effect on the present status of these employees.

"Upon amalgamation, an agreement between the principals involved will come into effect and such agreement will, in fact, give a form of guarantee to all harbour police employees which will ensure their continued employment. In addition, their continued employment will be in a rank or position commensurate with their current status. This agreement, of course, would include the seaman earlier referred to.

"John Ward, Acting Deputy Chief of Police, Executive Services, Metropolitan Toronto Police."

In the light of that letter, which seems to be a fairly strong commitment from the Metropolitan Toronto Police to maintain the position of the seamen—and I hope it would also apply to the other personnel of the Toronto Harbour Police—I would hope that the parliamentary assistant could see his way clear to bring in an amendment which would say that this permissive power is given only on condition that the rights and position of the present employees of the Toronto Harbour Police are maintained. I hope he will respond to that proposal.

**Mr. Breagh:** Mr. Speaker, I want to point out that once again we are in a bit of a jackpot here. This is, as the parliamentary assistant has said, permissive legislation. On the surface, it would appear to be relatively simple in nature; that is, if Metropolitan Toronto wants to, it can do something on the surface which makes some sense, and that is to have one unified police service, whether that is at the harbour with the form of the harbour police or everywhere else in the form of the metropolitan police, and that would bring in to one organization the provision of police services to this community.

9:20 p.m.



To speak to that principle is not a problem. I would find that an eminently supportable principle. It seems to me a rational provision of police services. Having said that, my colleagues have pointed out the problems we have. In my discussions with the parliamentary assistant I have tried to point out that I have no objection to the basic principle of the bill. I have some problems with two or three parts of it. Let me go over them fairly simply.

First, I am not sure I am happy in the long run with the idea that this says, "It might happen, and we are going to make it permissive legislation." It seems to me the onus is on Metropolitan Toronto. If they want to do that, if that means of providing police service makes sense to them, let them say so and then let us deal with the legislation. I am a little unhappy with the concept. I am not opposed to permissive legislation as a general principle, but I am in this case where it is quite specific about what they want to do.

It seems to me it is logical to have Metropolitan Toronto say, "Yes, we want to do this," and then the permissive legislation is granted. I am having more and more problems as each day goes by, as more people call me and say, "I am not sure how this legislation affects me." I say to them: "I understand your concerns and think they are valid. I think it is only fair that if some amalgamation is to take place, the details of that negotiating process, exactly who will be affected by this legislation and in what way, should be spelled out clearly to all those people who are now employees of what may be classified as port police, engineers or harbour police."

It seems to me we have the cart before the horse. When this legislation was originally proposed, the parliamentary assistant and I had a discussion about this. I said at that time, and I will put it on the record again, I have no problem with this bill. That is what Metro wants to do. Like most other pieces of municipal legislation, there are not yards of philosophical distances to be discussed or to be overcome. The legislation responds to what a municipality wants to do. I did say at the time the only problem I have with it is several people have called different members of our caucus saying: "We hear the bill is in place. We understand the process that is under way. We know many of the problems can be negotiated away."

This has gone on for a lengthy period of time. The negotiations are not yet concluded. As late as this afternoon, I had people calling me saying, "I do not know what my status is under

this bill." I cannot give them a straight answer because the bill is permissive in its nature.

Strictly speaking, all of the negotiations around who will be taken in to Metro police, under what conditions, who will pick up the costs, whose benefits will be covered, who will have to buy into a pension plan—all of which I suppose in terms of the Ontario Legislature are beyond our control and probably not even directly mentioned here—are matters of real gut-rending concern to the individuals who are affected.

What it means is that there are people who are 45 and 50 years of age, who, to be blunt about it, normally would not now become employees of Metropolitan Toronto Police. They are a little over the hill in terms of how a police department defines its ideal candidate to become a police officer. It gets into that thorny question of civilians who work for anybody's police force. It gets into the stickier question of pensions and benefits and how those plans are negotiated and who pays.

The upshot of it all is very simply that in principle here is a bill that is very easy to take, but the ramifications of the bill are not easy to take. I tried to make those concerns known to the government very early when we were having initial discussions about this bill. I was given some assurances that negotiations were under way. For example, one individual who called me today was not aware of who was doing the negotiating. Were they negotiating with the agencies which represent these people? I think there are two or three identifiable groups, all of whom have a bargaining agent on their behalf. If that is true, then the individuals who are directly affected by it do not know about it. In my view, that is an unfair way to proceed.

I think there is an obligation on the part of all members here to make sure that every time we pass legislation which we are aware causes unfairness—perhaps not directly, as might be argued in the case of the act before us; but when we know that, indirectly, individuals are going to be put into difficult situations because of the nature of this bill, it is our obligation to do something, whether we are from Metropolitan Toronto and these people are our constituents, or whether we are not from Metro but happen to know that there are human beings who are being used as pawns.

That is not to say there is bad intention on anybody's part. I have had some discussions with the government on the matter and it seems they have had ample notice of those negotiations.

Members on this side, and I am one of them, have attempted regularly to determine exactly what is the status of those negotiations and what is happening to these individuals. I know, for example, that if this bill passes this evening, and it may, the member for Riverdale is going to be extremely upset that he was ill today and unable to participate in this debate because, as has been pointed out, some of his people are directly affected by it.

I want to put the House on notice that I am unhappy those negotiations have not been successfully concluded. Frankly, I can find no fault in the principle of the bill. I have not talked to anybody who has a real problem with what is the stated intent of the legislation which is now before us, but the practical problems remain.

I want to say now that we will support the bill in principle on second reading. We will not support the bill on third reading unless we are satisfied that the individuals who—

**Mr. Haggerty:** You can't have it both ways, Mike.

**Mr. Breagh:** Do you have a problem with this?

**Mr. Haggerty:** Are you for it or against it?

**Mr. Breagh:** We will not support the bill on third reading until such time as we have a clear understanding that the individuals directly affected by this legislation have been treated fairly. I think that is a reasonable way to proceed.

It would be possible for us to provide a lengthy list of speakers on the bill. It is not our intention to do that.

**Mr. Nixon:** I want to hear Odoardo.

**Mr. Breagh:** We have a request to hear the member for Downsview (Mr. Di Santo). I think that could be arranged. He is quite capable of giving you four or five hours on this one if you make the request.

**Mr. Rotenberg:** It was not my request.

**Mr. Nixon:** Anything would be better than this.

**Mr. Breagh:** I thought so.

That is the problem with the bill. In reality, the problem is not with the principle of the bill and we will support it on second reading. The problem is the practical ramifications of human beings being directly affected by this type of legislation. We want to give the government one more opportunity to provide us with some assurances that they will be dealt with fairly in those ongoing negotiations and will not suffer

because of the good intentions of the government of Ontario or, in this case, the government of Metropolitan Toronto.

**Mr. Rotenberg:** Mr. Speaker, I thank the honourable members opposite. I understand the concerns raised by the various members of the New Democratic Party. I hope I can give them enough assurance tonight to satisfy them. If not, between tonight and when third reading comes a day or two from now, perhaps I will be able to give them more assurance.

As I understand the concerns, they fall into three categories. One, which was raised by the member for Riverdale, is the status of three men who are seamen under the harbour police. A second is that all those who are not employees of the harbour police or port police will get comparable jobs with the Metropolitan Toronto Police force. The third really is one that perhaps the port police do not have: the matter of the pension. Let me deal with those for a moment or two.

As far as status of the seamen is concerned, the problem raised by the member for Riverdale is correct. These three gentlemen had applied for and were not able to get status as police constables. When the member for Riverdale raised it, I called the chief of police and I have been in contact with him, the Metropolitan Toronto chairman and the chairman of the Metropolitan Board of Commissioners of Police on all these matters.

9:30 p.m.

As a result of my conversations, made at the request of the member for Riverdale, we received the letter which the member for Beaches-Woodbine (Ms. Bryden) read to us. I was assured by the chief of police that, although these three gentlemen will not be given police constable status because they were not eligible for it, the Metropolitan Toronto Police force is creating a new job description for "seamen," which will be, if not exactly the same, similar to the status of seamen in the present Toronto Harbour Police.

**Mr. Mackenzie:** That was agreed to more than a year ago, so I don't know why we have the problem.

**Mr. Rotenberg:** I do not know why we have the problem either, but for some reason some wanted to get the three men police constable status. They could not get it, but they are going to get seaman status.

Second, as far as all getting jobs is concerned, it is true this is permissive legislation, but the



amendment we are proposing, which we hope to bring in a little later on this evening, is in clause 175(5)(a) of the act and says, in effect, that all employees shall be offered employment at no loss in salary as a member of the metropolitan police force on October 1. All employees, no matter who they are, of the two boards, the Toronto Harbour Police and the Toronto port police, shall be offered jobs at no loss of salary.

We had a bit of a problem because the bill originally had it worded differently: "entitled to the same salary and benefits as a member of the metropolitan police force in a similar position." There was some problem as to how we would define "a similar position." We felt, I think correctly, that the employees are better protected when it says specifically that, no matter what their status is, there shall be no loss in salary. In other words, they are offered a job at least at the same salaries they have now in their present positions. Again, I have been assured by both the chairman of Metropolitan Toronto and the chief of police that they will all get that.

The one that has probably caused the biggest problem has been the pension plan. This is basically on the port police. Not all members of the port police and harbour police have a pension plan, and the pension plan does not have as rich a benefit package as the metropolitan police force pension plan has.

There is no question, and I think this was the question raised by the member for Beaches-Woodbine, that those employees who now have paid into the Ontario municipal employees retirement system will get credits for all the pension they have paid up for. They will not lose anything. There is no question when they join the metropolitan police force that they will, for their future service, receive the benefits of the richer pension plan.

Where the controversy came about was whether somebody was going to pay back the money to top up the pension plan for the employees from the days when they were in the harbour police and the port police. Would someone pay the additional money so for all their service they would get the richer benefits of the metropolitan police force pension plan, not the benefits they paid for up until now and the richer plan from now on?

That is where the controversy arose, and we had a request from Metropolitan Toronto to put something in the bill which said Metropolitan Toronto did not have to do that. We had a request from the union which said Metropolitan Toronto had to do that. We feel frankly that is

something that can be negotiated. If someone wishes to pay back for the topping up of the pension plan, that is great for the employees. But there is no question whatsoever that these employees will receive at least as much pension plan for service to date as they have paid for and they will receive the richer pension plan from that day on.

It is a matter of negotiation and, as Metropolitan Toronto has said, it does not want to pay for the topping up of the port police. The city of Toronto has indicated it is willing to pay for the harbour police, who in effect have been serving the city of Toronto. That is why subsection 175(6) in the amendment to the act indicates the city of Toronto may if it wishes pay into OMERS and not pay for the back service to top up the harbour police pension plan.

No one has come forward at this stage offering to pay for the port police. It is my understanding that, although the union has made this request on their behalf, the individual port police employees have indicated, as part of their part of the negotiation, they not only are happy to come in without having their pension plan topped up but also are willing to sign a waiver which in effect said Metropolitan Toronto was not responsible to top up their pension plan for past service.

I can understand the union wanting to get all the benefits it can for the employees, and the employees wanting to get it all. I think we can also understand why Metropolitan Toronto does not want to pay additional pensions for employees when they were not its employees.

My understanding is that everybody has agreed the pension plan for the port police will not be topped up, although it is desirable from some points of view.

**Mr. Nixon:** That is quite clear.

**Mr. Rotenberg:** I hope it is quite clear to the member over there who is interjecting.

The member for Oshawa (Mr. Breaugh) indicates that maybe we should not be passing this legislation unless agreements are signed. It is really a chicken-and-egg situation, because the Toronto Harbour Commissioners—which is a federal agency, and we must recognize that the federal government has some obligation to protect its present employees—and Metropolitan Toronto really cannot finalize the negotiations until Metropolitan Toronto has the power.

I think the negotiations have gone along far enough that I am convinced, having talked to all parties, there is sufficient protection for all employees, and I hope what I have indicated

this evening will go a long way to convincing the members opposite.

As I said, the legislation is permissive to the extent that they do not have to enter into this agreement, but if they do enter into the agreement they must offer to all present employees a job paying at least the salary they now earn as employees of the harbour commission.

With those words, Mr. Speaker, I will ask for second reading of this bill, and then this bill will have to go to committee of the whole House for several amendments.

Motion agreed to.

Ordered for committee of the whole House.

**Mr. McClellan:** Mr. Speaker, I have a point of order. I think we have concluded the proceedings as set out on the Order Paper and as called by the acting government House leader. It would be our preference to do the committee of the whole House on this bill tomorrow afternoon for a variety of reasons.

**Mr. Epp:** Mr. Speaker, it was my understanding that we were going to go into committee of the whole on this bill as well as on some other bills today if there was sufficient time.

**Mr. Rotenberg:** Mr. Speaker, Bills 12 and 13, although they are not on the printed list for today, are municipal bills left over from last week. Bill 12 has one minor amendment; Bill 13 has no amendments. I thought we had an agreement that we could deal with Bills 12 and 13 in the committee of the whole House at this time.

Interjection.

**Mr. Rotenberg:** I wanted to do Bills 12 and 13 first.

**The Acting Speaker:** We are proceeding with Bills 12 and 13 now?

Agreed to.

House in committee of the whole.

#### MUNICIPAL AMENDMENT ACT

Consideration of Bill 12, An Act to amend the Municipal Act.

Sections 1 to 5, inclusive, agreed to.

On section 6:

**Mr. Chairman:** Mr. Rotenberg moves that section 143a(1) of the act, as set out in section 6 of the bill, be amended by striking out "having a population of not less than 20,000, as determined under the Ontario Unconditional Grants Act," in the second and third lines.

**Mr. Rotenberg:** Mr. Chairman, the purpose of this amendment is to remove the status distinction so that all municipalities of less than 20,000 people will have the same rights to issue debentures as those municipalities with more than 20,000 people. Bill 150, which has now had first reading before the House and which we will be dealing with in the fall session, will remove the status distinction for other debentures; this does it on the extendible and retractable debentures. We need both, but the other is coming in the other act.

Motion agreed to.

Section 6, as amended, agreed to.

Sections 7 to 16, inclusive, agreed to.

Bill 12, as amended, reported.

9:40 p.m.

#### COUNTY OF OXFORD AMENDMENT ACT

Consideration of Bill 13, An Act to amend the County of Oxford Act.

**Mr. Chairman:** I do not see any proposed amendments. Honourable parliamentary assistant, do you have any amendments?

**Mr. Rotenberg:** Mr. Chairman, I did not ask for this to go to committee of the whole; the New Democratic Party did. The member for Welland-Thorold (Mr. Swart) objected to one of the clauses and asked to put it in committee of the whole, but I have no amendments.

**Mr. Epp:** On a point of order, Mr. Chairman: I wish the New Democratic Party were organized enough to circulate their amendments, if they have some amendments to the bill. If not, I would suggest to you that we should deal with the various sections in the bill and go to third reading of the bill.

**Mr. Rotenberg:** To be fair, the member for Welland-Thorold objected to section 5. The purpose of section 5 is to allow all municipalities, not just upper-tier municipalities, to make grants to hospitals. He wished to vote against that section separately but not to make any amendments.

**Mr. Chairman:** Why don't you bring forward his argument when we get to section 5 then?

Sections 1 to 4, inclusive, agreed to.

On section 5:

**Mr. Rotenberg:** Mr. Chairman, I am happy with it.

**Mr. Chairman:** I know you are.

**Mr. Rotenberg:** The member for Welland-



Thorold objected to this section. That is why it is in committee.

**Mr. Chairman:** The member for Oshawa is sort of nodding in agreement. Do you have any comments?

**Mr. Breagh:** Mr. Chairman, just so the member for Waterloo North (Mr. Epp) does not get excited, we have not proposed an amendment, but we are objecting to section 5 and we would like the opportunity to vote against it. We see some difficulty with entering into this field.

The basic problem is one that we have identified in a number of areas. There is a wide range of programs traditionally seen to be essentially provincial in nature and, by and large, all the regulations for them are set by the province. Clearly, that jurisdiction has been marked as one that is provincial in nature. This small clause in section 5 specifically kind of bumps that over into the municipal field.

I understand that not all members may agree with us, but we feel that is unfair. Thin edge of the wedge though that might be, we feel it is important that it be noted as this legislation goes through that we object to having municipalities, in whatever way, shape or form, brought more and more into a field of indebtedness not of their own free will. They are none the less assuming the financial obligations of funding what traditionally has been a provincial program.

I understand that some may hesitate to do so, but I and my party feel it is important that the occasion be noted here. Each and every time we identify an area where there are what we feel clearly are areas of provincial responsibility, we will note them. What we are doing here is giving the municipalities the privilege of paying for a provincial program. We believe that is unfair and we will attempt, as many times as we can detect it, to note that unfairness. Although it might gall some, we will also vote against that unfairness.

**Mr. Rotenberg:** Mr. Chairman, this is permissive legislation. I guess the member for Oshawa and I have different views on permissive legislation.

Basically, we have been rationalizing all the grants because we want to let every municipality get every grant that every other municipality can. Up until now there have been some restrictions on grants to hospitals. We feel anybody who wants to give a grant to a hospital should be able to do so. If the upper and lower tiers wish to share or if the lower-tier municipality wishes to

give a grant to a hospital within its own borders or to a hospital that is just outside its border which it serves, the municipality should be able to do so.

Granted, health care is a provincial responsibility, but the capital cost of hospitals traditionally has not been a total provincial responsibility. The capital cost has been shared in community campaigns. Where a community wants to have a hospital, there has been a fund-raising campaign within the community, and the local municipality traditionally has participated in that fund-raising campaign, both from the point of view of boosting it and by paying part of the cost.

All this bill does is simply say that the local municipality may, if it wishes, participate in the campaign. There is no compulsion on it to do so. We feel it is then up to the municipalities and not up to this government to say who can and cannot contribute to the capital cost of the hospital.

**Mr. Haggerty:** Mr. Chairman, I want to speak on section 5 of the bill, which proposes to repeal the present subsection 66(1) of the act: "The county may pass bylaws for granting aid for the construction, erection, establishment, acquisition, maintenance, equipping and carrying on the business of public hospitals including municipal hospitals and other health care facilities in the county and may issue debentures therefor, and no area municipality shall exercise any such powers in respect of public hospitals including municipal hospitals."

From my days on county council, I recall it was always a practice there that the county could participate in sharing the cost of constructing a new wing or a new hospital within the county boundaries in a municipality, city, town or village, and even outside the county boundaries.

This is going back some 20 years; I can recall the policy set up then. The county of Welland paid some of the cost of constructing a new hospital in the town of Dunnville. It was based upon a per-diem-rate usage of a certain number of residents from the west end of the county. It also shared in the cost of construction of some of the hospital facilities at the St. Catharines General Hospital and the Greater Niagara General Hospital. So it is nothing new; this policy has always been in effect.

At that time, counties could share in the cost of providing health care services for residents within a county structure. Sometimes the cities and larger municipalities would have to bear the complete cost of constructing or maintaining

the hospital. In this way everybody who made some use of the facilities was paying or carrying some of his or her share.

Fort Erie had one of the first hospitals in the area, the Douglas Memorial Hospital. The former township of Bertie used to share the cost of operating that hospital on a per diem rate with Port Colborne. So it is nothing new, and I think it is a good practice.

I have to support this amendment, which is permissive in its intent. If in the wisdom of local council they want to share in that, then local autonomy is working again; if they work on that basis, there is no need for regional government. The government is bringing around some form of regional views that all the people within a certain area, a county or two counties, can share in health care services.

I think it is a good approach, and it does not cause any grief or hardship for any community such as the ill feelings that followed when the government brought in regional government in Niagara by joining the two counties in the Niagara Peninsula. I suggest there are still wounds to be healed in that area. The services were already provided on a regional basis without the heavy burden of the bureaucratic body that is there today. There is a good lesson to be learned from that. I can accept the proposed amendment.

Section 5 agreed to.

Sections 6 to 12, inclusive, agreed to.

Bill 13 reported.

On motion by Hon. Miss Stephenson, the committee of the whole House reported one bill with a certain amendment and one bill without amendment.

The House recessed at 9:51 p.m.

10:15 p.m.

#### MINISTRY OF INDUSTRY AND TRADE ACT (concluded)

Resuming the adjourned debate on the amendment to the motion for second reading of Bill 38, An Act to establish the Ministry of Industry and Trade.

**The Deputy Speaker:** We will dispense with the prayer. To refresh everyone's memory, we are voting on Bill 38, An Act to establish the Ministry of Industry and Trade, along with a proposed amendment, a reasoned amendment.

No, we do not say that. Ring the bells and we will worry about the details later.

The House divided on the question, "Shall the bill now be read a second time?" which was agreed to on the following vote:

#### Ayes

Andrewes, Ashe, Baetz, Barlow, Bennett, Bernier, Birch, Boudria, Brandt, Breithaupt, Conway, Cousens, Cunningham, Dean, Drea, Eakins, Eaton, Edighoffer, Elgie, Elston, Epp, Eves, Fish, Gillies, Gordon, Gregory, Grossman, Haggerty, Harris, Havrot, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Lane, Leluk, MacQuarrie, McCaffrey, McCague, McKessock, McNeil, Miller, F. S., Miller G. I., Mitchell;

Newman, Nixon, Norton, Peterson, Piché, Pollock, Ramsay, Reed, J. A., Robinson, Rotenberg, Runciman, Ruston, Scrivener, Sheppard, Shymko, Stephenson, B. M., Stevenson, K. R., Sweeney, Taylor, G. W., Taylor, J. A., Timbrell, Treleaven, Villeneuve, Walker, Watson, Welch, Williams, Wiseman, Worton, Wrye, Yakabuski.

#### Nays

Allen, Breaugh, Bryden, Cassidy, Charlton, Cooke, Di Santo, Foulds, Grande, Laughren, MacDonald, Mackenzie, McClellan, Philip, Samis.

Ayes 76; nays 15.

Ordered for third reading.

**The Deputy Speaker:** Order. It is my understanding that the Minister of Industry and Trade (Mr. Walker) wanted to go back into committee of the whole House. No? Has he changed his mind?

Interjections.

**The Deputy Speaker:** The House can do anything with unanimous consent. What do you want to do?

**Hon. Mr. Walker:** Mr. Speaker, on the question of committee of the whole, I raised some discussion earlier today about a standard amendment on the annual report. We agreed to put it off until tomorrow, so that should stand. Perhaps we should recess for the evening.

**The Deputy Speaker:** We have a problem. It was ordered for third reading. Can we unorder that?

Interjections.

**The Deputy Speaker:** Are we going to worry about that tomorrow? Tomorrow is another day.

The House adjourned at 10:30 p.m.



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 Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)  
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 Rotenberg, D. (Wilson Heights PC)







No. 97

# Legislature of Ontario Debates

## Official Report (Hansard)



**Second Session, Thirty-Second Parliament**

Tuesday, July 6, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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Published by the Legislature of the Province of Ontario.  
Editor of Debates: Peter Brannan.



# LEGISLATURE OF ONTARIO

Tuesday, July 6, 1982

The House met at 2 p.m.

Prayers.

## STATEMENT BY THE MINISTRY

### MINISTRY OF AGRICULTURE AND FOOD AMENDMENT BILL

#### FARM PRODUCTS CONTAINERS AMENDMENT BILL

**Hon. Mr. Timbrell:** Mr. Speaker, at the appropriate time today, I will introduce two bills, one to amend the Ministry of Agriculture and Food Act and a second one to amend the Farm Products Containers Act.

The amendments I am proposing to the Ministry of Agriculture and Food Act are primarily of a housekeeping nature. The first amendment authorizes the minister to delegate powers to the deputy minister or other employees and confirms the validity of any contract made under such delegated authority. The acts governing the administration of other ministries have similar provisions.

The second amendment to this act exempts the deputy minister and ministry employees, as well as members of the Farm Products Appeal Tribunal and the Agricultural Licensing and Registration Review Board, from personal liability for any act done or omission made in good faith in the execution of their duties. In the case of the appeal tribunal this exemption was in the legislation prior to 1978. The present amendment merely re-establishes the principle. The liability of the crown for any act of its officers or employees is specifically preserved.

The second bill I will introduce today concerns the Farm Products Containers Act. The existing Farm Products Containers Act established a fee of one per cent of the cost of all containers used in Ontario to pack fruit and vegetables for the fresh market. This fee, which is paid by the growers who use these containers, covers the operating costs of the Ontario Fruit and Vegetable Growers' Association.

In the past the fee has been collected by the manufacturers of the containers and turned over to the association. Under this amendment sellers conducting business in Ontario will collect the fee, rather than the manufacturers, some of whom are out of the province.

The amendment also provides for the recovery of licence fees by court action and increases penalties for offences under the act.

## ORAL QUESTIONS

### MASSEY-FERGUSON

**Mr. Peterson:** Mr. Speaker, to whom do you recommend I ask a question? Here comes the Treasurer (Mr. F. S. Miller). In the absence of his superior, the Minister of Industry and Trade (Mr. Walker), I have a question of the Treasurer.

Could the Treasurer bring this House up to date on his commitment of government funds to the Massey-Ferguson situation? What has been the uptake? What are his plans with respect to Massey? Is he going to be putting someone on the board of that company, and does he anticipate any further injections of cash into that company?

Here comes the minister now. I am delighted to see him.

**Hon. Mr. Walker:** Mr. Speaker, the question of whether or not a person goes on the board has not been fully determined. One has to raise a question as to whether significant value can come from having someone on the board. The member for Wentworth North (Mr. Cunningham) has agreed to serve on the board, I note in a previous Hansard transcript, but at the moment we have made no decision whether we would have anyone on the board or not. I would tend to think there is not a significant value that would come from that.

**Mr. Peterson:** It is obvious the minister has not got any significant value from anything he has done with that particular company. While he is on the subject, there are several over here who would not mind being president of that company at \$400,000 a year; so he is not alone.

My question to the minister is, has there been a complete uptake and does he contemplate any further injections of capital or cash into that company? What is its status? Is it going to go under or is it going to stay around? What is his commitment to that company? That is what we want to know.

**Hon. Mr. Walker:** In answer to the member's five questions, I would say yes, all of the shares were taken up as of yesterday. The federal

government and the provincial government have assumed their responsibilities under the redeemable aspect of the shares which is consistent with the guarantee and the authority given by this House over a year ago now, that the member's party supported. His party basically agreed with this party that it should be done.

That was decided and, in essence, there was an agreement or a contract, an arrangement entered into in 1981 by the act that was passed. According to that act we are required to take up the shares and we have taken up the shares as directed.

We do not contemplate any additional funds being injected into the company. One can never say for sure that it is for all time, but I would hope there is absolutely no need to put in additional funds.

No, we would not see the company going under. I think it is a viable company. The company has substantial sales. I think their sales are in the range of \$2 billion yearly. It is a very substantial corporation. It is one of the few multinational corporations established and based in Canada and is certainly the only multinational manufacturing concern established in Canada. It was deemed appropriate at the time that it be continued and the formal guarantee was entered into.

The guarantee has now been exercised in accordance with the act that was passed by this Legislature and in essence supported by the parties who spoke on behalf of it. Although the New Democratic Party attempted to delay a decision a couple of weeks, in the bill introduced by my predecessor, the member for St. Andrew-St. Patrick (Mr. Grossman), the Minister of Industry and Tourism at the time, it was agreed that there would be a take down of the shares under certain circumstances. Those circumstances have now come into play.

**Mr. Cooke:** Mr. Speaker, the minister seems to be giving us a number of reasons why the investment the government has been forced into is a good investment on the part of the Ontario taxpayers. If it is a good investment today, why was it not a good investment for this government a year ago, as a direct investment rather than taking the guarantee approach which it did, and which has resulted in extra expenditure on the part of this government in the meantime?

**Hon. Mr. Walker:** Mr. Speaker, at the time it was thought it would be possible to tide the company over for a period of a year by means of the actual guarantee provision that was arranged.

Now, the guarantee has been exercised. I think the government took a very prudent step at the time. I think the parties in this House and the Legislature voted in the most prudent way that day. It was better to have taken the chance and perhaps not had to participate in the management and ownership of the company, than to have done it at the time.

In any case, we are now in a position where the guarantee has been exercised and we are taking down the shares in the proportion that the federal government and provincial government obligated themselves to do by will of this House in 1981.

**Mr. Nixon:** Mr. Speaker, I sense the minister's commitment not to allow the jobs at present established in the concerns in Toronto and Brantford to be lost will be very welcome in those communities. But since the major banks have unloaded their 11 per cent involvement which has now been taken up by the two levels of government, why would the minister not feel that it is time that a representative of the people of Ontario, as major shareholders, be put on the board so some of the cost cutting which I believe has been too long delayed, might be undertaken?

Does the minister really believe that it is a worthwhile investment on behalf of the taxpayers to continue to pay the president, for example, at the rate of \$400,000 a year, when they have been doing business on the strength of the bi-governmental guarantee?

**2:10 p.m.**

**Hon. Mr. Walker:** Mr. Speaker, the question relates to putting a member on the board and that is a question we have not resolved in a definitive way. I suppose that is possible, although I raise the question of the value of having a direct board member. We have these shares, we are in a preferred shareholder situation, and we have all the benefits and rights of a preferred shareholder. From an information point of view, we have the monitoring committee. With the monitoring committee, we likely have information as soon as anyone has within the corporation. That provides us with any of the advance information we may need, so we have to wonder about the value that would come from direct participation.

I suppose that raises the question of whether a member, or at least a member of the board, might be able to direct the board in its affairs in this worldwide corporation in a better way than some of the members who are there now. It is



my understanding the company has done a substantial amount of cost-cutting. Having rationalized the company from something like 68,000 down to 39,000 employees in a period of a year, there has been a substantial amount of—

**Mr. Sweeney:** It's called a layoff.

**Hon. Mr. Walker:** I do not think the company laid off 39,000 employees. The member might know better and perhaps I will take his advice on it, but I do not think he will find it laid off 39,000 employees. I think he will find it sold off and halved off portions of its empire to attempt to rationalize it into a more profitable operation.

It has to be realized that the problems this company is beset with at the moment are not dissimilar to those of all of the other farm implement dealers and manufacturers across Canada. One has to realize that even names like John Deere Co., International Harvester and White Farm Equipment of Brantford have tended to run into difficulties relating to sales. This company made 11 of its commitments, 11 of its dividend obligations, and failed to make its 12th obligation. It has to be kept in mind that the company has done a great deal, that it does seem to be in a position where, given the right kind of economic recovery, it can participate in that recovery and protect the interests of the shareholders of Canada.

**Mr. Peterson:** I am certainly curious why the minister has that confidence and the banks do not.

#### REPAYMENT OF WELFARE BENEFITS

**Mr. Peterson:** Mr. Speaker, I have a new question. In the absence of the Minister of Community and Social Services, it is for the Provincial Secretary for Social Development. It involves an individual in my riding, a young lady named Kathy Anderson. I am sure the provincial secretary will be familiar with this kind of situation. She was working, through the work incentive program, on mother's allowance. In November 1981, she removed herself from mother's allowance and, finally, in 1982, worked herself out of public housing with the assistance of that program. She is 25 years old and has four small children.

It was then discovered in 1981 that the Ministry of Community and Social Services had made a mistake and that she was overpaid by \$1,627.04 over a period of time. It was admitted that it was not her responsibility, and that she was reporting accurately all along the way. It

was clearly a mistake of the ministry in those circumstances. Now she is working, and making about \$1,100 a month. Her minimum expense is \$1,039, and that is allowing for no luxuries whatsoever. Her four little children are in day care, costing 75 cents a day for each child. That does not sound like much but it adds up, with transportation, to about \$130 a month. She has absolutely no room to move.

Now the ministry is asking for repayment of the \$1,600. It has said it can come in small amounts, but the reality is that there is absolutely no room to move in her budget, even to pay back \$5 or \$10 a month. It is clearly acknowledged to be the ministry's mistake. Knowing how concerned the secretary is about this kind of problem, would she not agree with me that in these circumstances it would be fair to have a remission for a mistake that was made by the government and not by the young lady? The situation is putting a tremendous amount of pressure on her at the present time.

**Hon. Mrs. Birch:** Mr. Speaker, through you to the honourable member: I am sure if the minister is made aware of the situation he will do everything possible to ensure that this particular constituent of the honourable member is not called upon to make restitution.

As the member has suggested, if it is acknowledged that the fault was in the ministry's appraisal of the money sent to her, I am sure the minister will do everything possible to give encouragement to this particular constituent, because apparently the program has been successful in allowing her to get back into the work force and to look after her family. I think the minister will be prepared to do everything possible to encourage and provide her with that help.

**Mr. Peterson:** She has been successful. With her character and hard work she has worked her way out of the problem and no longer needs assistance, saving the state at least \$10,000 a year and probably more. We run the risk of driving her back on to mother's allowance if we do not assist her.

I am sorry the minister is not here, but I have corresponded with him. He said there is no doubt that Mrs. Anderson was completely honest with the income maintenance officer and adhered to all the rules, but he was not prepared to give her any allowance in the circumstances. Will the provincial secretary speak to the minister and, as his superior, as the policy secretary, use her influence in the matter and say he must

exercise humane judgement in these circumstances?

**Hon. Mrs. Birch:** The Premier (Mr. Davis) has just informed me that I am not mother superior to the Minister of Community and Social Services (Mr. Drea), but I will be very pleased to draw the matter to his attention.

**Mr. Breithaupt:** No more super minister.

**Hon. Mr. Davis:** Far superior.

Interjections.

**Hon. Mrs. Birch:** I am sure the minister will have a look at that. He is most interested in promoting the kind of program which will allow mothers with dependents to become more independent.

**Mr. Roy:** You are concerned and that is what we wanted to know. Express your concern publicly.

**Mr. McClellan:** Mr. Speaker, perhaps the minister could approach the Premier and ask him if he would send a directive to the various ministries in line with what I recall to be a recommendation from the select committee on the Ombudsman: that when the bureaucracy makes an error with respect to a payment to a citizen, if the citizen acted in good faith he should not be required to make restitution for the error of the bureaucracy.

From what the secretary said, I understood that is her policy. It is obviously not the policy of the Minister of Community and Social Services. Perhaps a policy memorandum could be sent either from her office or from the Premier's office clarifying this matter once and for all.

**Hon. Mrs. Birch:** I think I should clarify the comments of the member. It is not my policy. It is the policy of Community and Social Services. I did indicate that I thought in this instance, where a mistake had been made and the woman in question was doing a tremendous job in providing for her family, every effort should be made to encourage her and that was the message I would bring to the minister responsible.

**Mr. Peterson:** As I said, she is already over \$600 in debt for day care at 75 cents a day and only through the kindness of the day care centre have her kids not been kicked out of there. Given the fact that she cannot do anything in the circumstances, and I believe that has been determined by everyone concerned, will the minister speak to the Minister of Community and Social Services and then write to me about trying to solve this question? Will she try to bring out in that fellow who runs the ministry at

the present time some of that milk of human kindness that she has in her heart and some of the concern she feels so deeply for people of this province?

**Hon. Mrs. Birch:** I have already indicated that I will speak to the minister.

#### JOB LOSSES

**Mr. Foulds:** Mr. Speaker, I have a question for the Minister of Industry and Trade. As we are now coming close to the end of the legislative session, I wonder if the minister would care to comment on his track record to date.

In particular, will the minister make himself aware of the fact that during the course of this session he has failed to protect the 281 jobs at Spalding in Brantford and allowed golf club production to go to the US; has failed to protect the 150 jobs at SCM in Scarborough and allowed typewriter production to be shifted to the US; has failed to protect the 60 jobs at Canadian General Electric in Barrie and allowed the steam iron production to be shifted to Singapore; has sat back and allowed International Harvester to shift its engineering operations out of Canada to the US; has sat back as SKF in Scarborough auctioned off its plant and machinery, primarily to US purchasers, thus losing 325 jobs; has allowed Chrysler to systematically phase out production of its spring plant in Windsor; has allowed White Farm Equipment to be taken over by US interests; and has sat back while the shoe, auto and furniture industries have all gone into serious decline?

What excuse does the minister offer for such inaction?

2:20 p.m.

**Hon. Mr. Walker:** Mr. Speaker, the member seems to think that when a number of jobs are lost in a certain area we have no concern for that. That is not at all the case. All of us are particularly concerned.

For every company the member wants to quote in terms of jobs lost, perhaps I can quote one that has been brought back. Did he make reference to the fact that in Brampton, American Motors brought back 600 people: 480 came back from layoff a few weeks ago and 120 new people were taken on? Did he make reference to the fact that 200 people were due for layoff at General Motors and that was cancelled about four weeks ago? In fact, they took on a further 150 people.

Interjections.



**Hon. Mr. Walker:** Excuse me a moment and listen.

Did the member mention the fact that Ford Motor took on another 400 people just a few weeks ago? Did he make some reference to that? Did he make some reference to the fact that Tricil, near Brigden, Ontario, is spending \$7 million to make improvements to its plant, to improve efficiency, and that will result in 100 local tradesman having more than six months of scheduled work? Did he make some reference to the fact that Lear Siegler of Kitchener has boosted its work force in the Manitou Drive plant by 80 people?

When the member gets through all those, I can give him some more. When he makes reference to all those, perhaps he will balance off some of the good with some of the bad.

**Mr. Foulds:** Does the minister remember when he was sworn in he said his top priority would be "jobs, jobs, jobs"? Tell that to the 23,000 people who have lost their jobs just in this session while he has been Minister of Industry and Trade, when unemployment has gone from 544,000 to 567,000. How does he reconcile his claim to create jobs with the fact that every week this session has sat, an additional 1,337 Ontario workers have been forced on to the unemployment lines? The only announcement the minister has had the courage to make is the creation of nine jobs in Elmira.

**Hon. Mr. Walker:** Sometimes I think the member has some difficulty seeing the wood for the trees. He has spent all his time thinking about the Sanyo production plant, where nine employees were hired. He thought that was counting jobs.

If I wanted to count jobs, I could have enumerated a variety of plants and industries that opened in that period of time. For instance, two or three plants could be identified in the Markham area. I could go through many of those.

However, the member looks at the Sanyo plant, a Japanese company that is considered by many to be a breakthrough. For the first time, a Japanese company has chosen to move offshore and it has chosen to come into Ontario. He looks upon that as being only nine jobs. The rest of us would look upon that as being an important first step. The member occasionally fails to realize that journeys of 1,000 miles begin with the first step.

**Mr. O'Neil:** Mr. Speaker, the member for Port Arthur mentioned the shoe industry. I

would like to ask the minister what steps he has taken with his government and the federal government to see that jobs are preserved in the shoe industry, especially in the Bata shoe company in my area?

**Hon. Mr. Walker:** Mr. Speaker, I am glad the member asked that question. It was this Premier (Mr. Davis) who last year pleaded with the federal government not to change the quotas it imposed in terms of an overwhelming change in the situation. Does the member realize that single act of changing the quotas, which the federal Liberal government chose to do last fall, wiped out half a dozen industries in this province within a few months? That was the one thing that was done.

Throughout the years, I have met with industry after industry on the very question of the shoe industry. We have pleaded with the federal government to make changes. It was only a week and a half ago that I spent an entire day with the minister from Quebec, the Honourable Rodrique Biron. We pleaded with the federal Minister of State for Trade, Mr. Lumley, to invoke another form of assistance and to try to space out over a period of time the capitulation they caused for all kinds of industry in this province and throughout Quebec as well.

That is what we did. I am pleased to say I am sure we are going to hear something about this from the federal government in the next few days. I think it will make its announcement within a week. We will then perhaps see that some of the pleadings we have made with the federal government have borne fruit.

**Mr. Foulds:** The federal Liberals will pay for their sins just as the minister will pay for his. Instead of pointing the finger of blame at them, why does he not accept his responsibility here in Ontario and why does he not admit that of the nine jobs he created in Elmira, eight went to foreign nationals? How does that tie in with his claim that his top priority was going to be jobs? Why does he not admit his abject failure and resign his post?

**Hon. Mr. Walker:** I am not sure we should be casting aspersions on any of the people who come to settle in this country and make this country great.

The one thing the member for Port Arthur does not realize is that someone has to read the plans which are totally in Japanese; that has some bearing on whether some local people might be hired or not. When one of these machines is designed by one of these people

who comes in, does he know how many jobs it creates with one machine worth \$1.5 million? Does he realize the effect that has on society? Does he realize what he would destroy if he had his way about it? That is the problem he has over there.

**Mr. Foulds:** There are only a few jobs we would like to destroy and they all belong to the cabinet ministers. We would like to start with the Minister of Industry and Trade.

### ENERGY RATES

**Mr. Foulds:** Mr. Speaker, I have a question for the Minister of Energy. I would like the Minister of Energy to let us know how he is going to respond to the petition that will be presented later today by the member for Niagara Falls (Mr. Kerrio) and the member for Welland-Thorold (Mr. Swart) which has been gathered in the Niagara Peninsula area? I am sure the minister is aware of the petition.

I would like him to answer as a matter of policy what this government's response will be to the 38,574 people who have signed that petition which begs the provincial government to involve itself in the pending rate application of Consumers' Gas by public statement and by direct intervention on behalf of the residential consumers so as to prevent the imposition of a user's charge of \$18.30 per month and a 35 per cent increase in the price for natural gas consumed in the months of January, February and March?

**Hon. Mr. Welch:** Mr. Speaker, as the deputy leader of the third party knows, I had the privilege of meeting Mrs. Clark and members of her group at my constituency office about June 14. I think Mrs. Clark and the members of her organization have performed a very important function in providing an opportunity for the people of our area to express their opinion with respect to this application. I want to identify myself with those who pay tribute to those people for the many hours they have spent in various parts of the region of Niagara making it possible for people to express their views.

My only surprise is that since Mrs. Clark comes from the constituency of Erie, the member for Welland-Thorold (Mr. Swart) has preempted the member for Erie (Mr. Haggerty) in making this petition, because the member for Erie has been very effective in communicating the concerns of these people as well.

2:30 p.m.

The member for Erie may be a very quiet man, but he is a very effective man and certainly has given wise counsel. Indeed, it is unfortunate because on June 14, when I had the opportunity to meet with Mrs. Clark and her group, I gave them some advice which the member for Welland-Thorold neglected to give them. He had the petition addressed only to the members of the Legislature. He forgot to tell them that the only way those thousands of people could have their concerns registered where it really mattered at this particular time was to address them as well to the Ontario Energy Board.

I suggested they might want to amend their petition to make sure the concerns being expressed about this application by those thousands of people would become part of the public record of the OEB. Mrs. Clark and her people were very grateful for that advice and amended their petition accordingly.

I am looking forward to receiving the petition. I wish it was from her member instead of from those, like the member for Welland-Thorold and others, who think that perhaps there is some political advantage to this. I will see that those concerns are expressed where they should be, because I know the honourable member would want me to protect the integrity of the system and to make sure that these matters are before the OEB.

I pay tribute to Mrs. Clark and all the people of regional Niagara who have taken advantage of the opportunity to express their concerns at this time.

**Mr. Foulds:** Will the minister not only pay tribute to Mrs. Clark and her group but also tell the Ontario Energy Board that it is not a matter of government policy to exact tribute from the gas consumers of this province by excessive increases which penalize energy conservation and which favour people who use energy in frivolous ways, such as heating their swimming pools?

**Hon. Mr. Welch:** I am sure the deputy leader of a very responsible political party in Ontario would expect the government to obey the law. The law is quite clear with respect to the procedures and steps that are to be taken here. Indeed, the Ontario Energy Board is there. The member knows very well, as does Mrs. Clark and the members of her group, that the procedure is to take those applications to the OEB, where the consumers' interests are very much to be taken into account. The position of the government of Ontario with respect to conservation, off-oil and crude oil dependency is well



and clearly known and enunciated in this province.

**Mr. Kerrio:** Mr. Speaker, that was a fine speech by the Minister of Energy, but I have an important question to ask him—

[Applause]

**Mr. Kerrio:** Thank you very much.

**Mr. Speaker:** Order.

[Applause]

**Mr. Kerrio:** Okay. Thank you. There is an uncommon parallel here with what the Minister of the Environment (Mr. Norton) has done in relation to the protection of the environment. I ask the minister a very pointed question. Why should people like Lillian Clark and many other citizens have to band together to protect themselves against unconscionable increases while the minister bows out so nicely by suggesting that the Ontario Energy Board is going to look after these people's best interests when he knows very well that is just a way for him to hide his head in the sand and not make a decision over there on behalf of the consumers?

**Hon. Mr. Welch:** Mr. Speaker, I am not prepared to succumb to the temptation, which obviously my friend has, to play to the gallery for today. This is the same member, as Hansard will show, who recommended the abolition of the Ontario Energy Board.

**Mr. Kerrio:** Right on. Kick them out.

**Hon. Mr. Welch:** This is the man who wants to get rid of the Ontario Energy Board, who wants there to be partisan political intervention in a system that is at arm's length now to protect these people and to have these things analysed in a positive way.

Let it be known that the member wants to get rid of the very board that is in place now to protect people against the unmonitored activities of anybody who has a monopolistic franchise. He has really got to be kidding.

**Mr. Swart:** The minister knows very well that there is no law preventing intervention by his government at the Ontario Energy Board hearings. In fact, he must know that the responsibility of the Minister of Consumer and Commercial Relations (Mr. Elgie) provides that he does provide such protection for the consumers of this province.

May I also remind him and ask if he does not recognize that when he discussed the matter with those who were having the petition signed at that time, and consulted with them, it was prior to June 18, when his government could

have made an intervention and could have appeared on behalf of the consumers of home heating gas in this province to have stopped that massive increase?

**Hon. Mr. Welch:** The protests of Mrs. Clark and the thousands of others who have signed the petition, to be presented at the proper point of the agenda of this House this afternoon, will be on file and be part of the public record of the Ontario Energy Board for hearings that are going to start at the beginning of August.

I feel we are really not helping the situation at this time by attempting to muddy a situation which is quite clearly set out in law. I am quite satisfied, as a result of my meeting with Mrs. Clark and others at the beginning of this month in my constituency office, that they at least understand the whole system.

**Mr. Kerrio:** Due to the fact that we are talking here about a substantial increase in rates as well as an increase in service charges, so it is going to cost the average individuals about \$18 a month just to have the service to their home whether they use gas or not, I ask the minister whether he is going to intervene and present a case before the Ontario Energy Board, which is his prerogative.

He has already set a precedent on the General Public Utilities cable, if he wants to bring that to mind, where his ministry made an intervention before the National Energy Board about the GPU cable.

Is he now going to make a presentation to the Ontario Energy Board on these particular increases in rates and services? I wonder if he might share with us his opinion of how fair these rates and service increases are, in view of the fact that he is trying to enter a conservation era in which we are going to do something meaningful and change over to gas. What is his honest feeling about these rate increases, and will he appear to represent the people in front of that board?

**Hon. Mr. Welch:** As my learned friend knows, and not only my learned friend but the critic of this ministry knows, the government of Ontario made no representations at that particular hearing he is talking about. It was Ontario Hydro's application with respect to the National Energy Board he is talking about.

**Mr. Kerrio:** Oh listen, don't try to dissociate yourself from them—

**Mr. Speaker:** Order.

**Hon. Mr. Welch:** It was the applicant who made the representation; who else would one

expect to make the representation if not the applicant in that situation?

All I am saying is there is some responsibility to maintain the integrity of the system and to respect the law, and this company, in order to accomplish what it plans to accomplish, had to make an application. It has been advertised and public hearings will be held, and I am prepared to leave that matter with the Ontario Energy Board as is the proper procedure.

**Mr. Kerrio:** The minister accused me of suggesting that I would do away with the Ontario Energy Board. That is very true. If the OEB has allowed a 72 per cent increase over the past 30 months, it is not acting in the best interest of the consumers of Ontario and I think there has to be a better way.

How does he respond to that board allowing those kinds of increases? Does he think they are doing a job that is responsible to the people of this province?

**Hon. Mr. Welch:** What the member will have to tell me and share with the House and those who are visiting with us today, is how much of that was simply the pass-through of the cost implications from the agreement between the government of Canada and the government of Alberta with respect to the cost of the product. How much of that was just simply passed on?

**2:40 p.m.**

All I am saying is the member will have to understand this procedure—which the member would now like to scrap—and ask who is going to make these judgement calls with respect to that. Is it not a much better position to have a tribunal at arm's length from government reviewing these matters and, indeed, going through the procedures with which most of us are familiar?

**Mr. Swart:** Mr. Speaker, I have a new question on the same subject to the same minister. Does the minister not realize, as these people do in the gallery here today, that the current application by the Consumers' Gas Co. Ltd. is trying to establish a whole new rate system that will enhance and ensure its profits on a long-term basis even though residential gas consumption falls due to conservation measures, and that it penalizes consumers who save gas?

The minister also must know that the Ontario Energy Board will follow government policy. In view of the fact that he has deliberately missed the boat in intervention, will he now give this House a commitment to notify the OEB that government policy is, first, that the rate structure it approves should promote energy conser-

vation and not deter it and, second, that any increases allowed should be the absolute minimum, in line with the present state of the economy?

**Hon. Mr. Welch:** Mr. Speaker, I suggest with the greatest respect that at this point the Minister of Energy's responsibilities are to protect the integrity of the system and to ensure public confidence in that particular system. Mrs. Clark and her group know this, notwithstanding all the attempts to confuse things with partisan politics. The straightforward reality at this moment is that we have an application by a franchise holder with respect to certain matters, that public hearings will start on August 3, and that there will be ample opportunity for that board to review all aspects of this before coming to any decision.

Government policies with respect to conservation, crude oil self-sufficiency for Canada and off-oil are clearly known, and have been enunciated by this government on many occasions.

**Mr. Swart:** As usual, the minister did not answer the question. How can he say he is protecting the integrity of the system when he is letting the deadline go by when he could have intervened and represented the consumers there?

Second, how can he say he is protecting the integrity of the system when he will see, if he has looked at the number of interveners, that there is no one who is going to be representing in any substantial way the residential consumers of this province? How can there be a fair hearing if there is no equality of representation for the two sides?

**Hon. Mr. Welch:** I think this is a very important matter to re-emphasize. Thousands of people live in the areas served by the applicant. It has been brought to their attention that the gas franchise holder has plans with respect, as the member has already shared with the House, to a change in the rate structure and some other adjustments. Notice of all of this has been given. No one is being caught by surprise by the application.

By way of response, very interested and concerned residents of that area, under the leadership of Mrs. Clark and many associated with her, have gone to the marketplaces in the region of Niagara, they have gone everywhere throughout the region to provide people with an opportunity to register their concerns and their disapproval.

Today, in the Legislature of Ontario, as part of that democratic process, petitions are going



to be laid before the House. Those petitions, thanks to some advice given to Mrs. Clark in the middle of June, are going to be directed to the Ontario Energy Board. Thousands of people are going to have those concerns registered.

Surely at this stage of the game it should be quite clear to these people that they have taken the right action in a democracy to make sure that their concerns are known, and that a body out there, free from the partisan activities of any particular group, will calmly and coolly analyse this application against the background of all of these issues.

I have confidence in that system, I have confidence in these people, and I protect the integrity of the procedure.

**Mr. Kerrio:** Mr. Speaker, on a point of personal privilege: The minister has stated that he came to the rescue of these people who were suffering these unconscionable increases, gave them direction that will take them out of their dilemma, and said they were going to direct this petition to the Ontario Energy Board. Such is not the case.

**Mr. Speaker:** Order. That is not a point of privilege, with all respect.

**Mr. Haggerty:** Mr. Speaker, since we want to protect the integrity of the system now, will the minister or the government consider the same policy or precedent that was established relating to the agricultural lands disappearing in the Niagara Peninsula, when the Preservation of Agricultural Land Society was funded through the Attorney General's ministry under the legal aid plan?

Will the minister consider the approach that there be some funding set aside through legal aid so that these persons can have the expertise to make representation to continue with the petition to the board? There is a gentleman I have in mind who would make a good solicitor for them. His name is Alan Schwartz.

**Hon. Mr. Welch:** Mr. Speaker, no consideration has been given to that. The honourable member will know that applications for legal aid are directed to the director of legal aid.

The particular precedent to which the member makes reference was as a result of a group known as the Preservation of Agricultural Land Society making a formal application to legal aid for some financial support, which was granted. I would think if there were any groups that felt they would qualify, they might well follow that procedure, but that is a plan which is adminis-

tered by the Law Society of Upper Canada, not by the government.

### PSYCHIATRIC HOSPITALS DISPUTE

**Ms. Copps:** Mr. Speaker, I have a question for the Minister of Health. The minister knows that physicians in psychiatric hospitals across Ontario began slowdowns last week to back wage demands regarding a contract that expired on April 1. The slowdowns include not releasing patients who are ready for release and refusing to provide follow-up for ex-psychiatric patients in the community.

I know how concerned the minister is for ex-psychiatric patients in the community. He demonstrated that concern when he went to Parkdale. I wonder if the minister, in view of his concern, is prepared to prevent these tactics, or will he allow patients to be used as pawns in the struggle between the minister and the physicians?

**Hon. Mr. Grossman:** Mr. Speaker, unlike the negotiations conducted between this government and the doctors in the private sector, not working for government, these negotiations are handled by a different committee headed by the Civil Service Commission. They have the chief man on a four-person committee that does the negotiating. So it is a different situation, all of these people being direct employees of the government of Ontario.

Second, my concern therefore becomes one with regard to the safety of our patients, be they in the institutions or needing institutionalization or discharge. At the present time, the activities being undertaken by the psychiatrists seem to be of varying degrees in the different institutions. At present—this speaks only to the present time—they do not appear to be taking steps which would threaten the health or safety of patients in the institutions. That is, while they are taking certain steps with regard to certain paper and administrative work, they are not taking steps such as would threaten the possibility for release into the community or threaten the possibility of patients being admitted into the facility.

**Ms. Copps:** The minister knows full well that the physicians have already discussed the possibility of future strike action. They have now—at least at some hospitals, including the Hamilton Psychiatric Hospital—withdrawn from medical committees, which is certainly not acceptable or professional behaviour for physicians. They are refusing to complete patients' statistics. They are not releasing patients who are ready

for release from hospitals, and they are also refusing to do community follow-up for ex-psychiatric patients.

**2:50 p.m.**

Bearing those facts in mind—facts which have not only been stated to my research department but were quoted in the *Hamilton Spectator* last Wednesday—why has the minister not been prepared to take some action to date?

**Hon. Mr. Grossman:** The information being transmitted to the member's research department, whatever that might be, or to herself directly by some of the psychiatrists involved may or may not be entirely in accordance with the facts.

The facts as we understand them are reported to us by the administration of all our facilities. It indicates the answer I gave a moment ago is the actual state of affairs in each of our psychiatric facilities. I will not bother to take the time to repeat that except to say it does appear they are not engaging in activities which threaten the right of our citizens either to be admitted into those institutions or to be discharged from them.

I understand some of the psychiatrists, perhaps in a desire to further their cause, may have indicated otherwise to the member. I can only report to her—

**Ms. Copps:** Did you read this?

**Hon. Mr. Grossman:** The member can rely on the newspapers for the time being. While I am Minister of Health, which will be a long time, may I say that I believe in relying upon—

**Mr. Foulds:** That may be longer than you would like.

**Hon. Mr. Grossman:** A hell of a lot longer than you like; I can tell the member that.

Interjections.

**Hon. Mr. Grossman:** The member may rely upon the *Hamilton Spectator*, which is a reliable newspaper.

I have a great deal of faith in the administration of those institutions. The member may not share that faith, but the administrators of those institutions have reported to their minister that the situation is as I have outlined it, not as the *Hamilton Spectator* has outlined it.

**Mr. McClellan:** Mr. Speaker, I am tempted to ask the minister what difference it would make if the doctors were on strike at Queen Street Mental Health Centre when there is only one

doctor on duty at night for 500 patients, but that is not my question.

Can the minister tell us whether there has been an increase or a decrease in the number of involuntary patients wandering out of the entrance of the Queen Street Mental Health Centre without official leave as a result of the labour dispute at Queen Street?

**Hon. Mr. Grossman:** Mr. Speaker, I know the member agrees there is a lot more security in place at Queen Street. I do not want to treat the member unfairly, but I think he was one of those who were objecting to the fact that certain new security measures were put in place at Queen Street.

**Mr. McClellan:** You don't need maximum security units. I don't know why you can't have a security guard at the door.

**Hon. Mr. Grossman:** I see. There are two things. First, the member could be supportive of the new steps we are taking at Queen Street to increase security. Second, who knows, the member may even call the former member for Parkdale and ask him if he wants to work at night, so there will be two psychiatrists.

**Mr. McClellan:** He is on summer holidays.

**Hon. Mr. Grossman:** He is where?

**Mr. Speaker:** Never mind the interjections.

**Mr. Roy:** Just answer the question.

**Hon. Mr. Grossman:** I am trying to remember the question. What was the question?

**Mr. McClellan:** AWOL of involuntary patients; increase or decrease?

**Hon. Mr. Grossman:** The member knows I can get that information for him if he will follow the procedure of last time and put the question on the Order Paper. I do not have a day-to-day account of how many patients may or may not be absent without leave, but we are always pleased to provide that. If the member had called my office at 11 o'clock, he would have had it by two o'clock.

#### STOUFFVILLE WATER SUPPLY

**Mr. Charlton:** Mr. Speaker, I have a question for the Minister of the Environment. On April 29, the minister made a statement in this House about the closing, a year from now, of the Whitchurch-Stouffville landfill site. In that announcement, he also said he would be requiring York Sanitation, the operator of the landfill site, to provide a hookup to the municipal water supply for the 12 properties closest to the dump site.



In view of the fact York Sanitation has appealed the decision of the director of environmental approvals, what is the status of providing an alternative water supply to those 12 properties?

**Hon. Mr. Norton:** Mr. Speaker, I am sure the honourable member realizes that while the matter is under appeal the status quo would remain the case. In other words, until the appeal is resolved there will be no way of mandating that the company proceed with the installation of the water service. So that essentially is the status.

**Mr. Charlton:** The minister said in his statement, and said quite clearly I think, that the reason for his three decisions around the Whitchurch-Stouffville landfill site, including the closing and the alternative water supply, was a result of the considerable public concern, in order to try and give those people some peace of mind. Surely that condition exists whether there is an appeal in place and whether York Sanitation wins or loses that appeal. The peace of mind of those people is still required.

Why under those circumstances will the ministry not proceed to ensure and put in place an alternative water supply, which they are going to need in any event to accomplish what he said they should have? He can deal with York Sanitation and the costs involved when the appeal is finished.

**Hon. Mr. Norton:** I think it is important to bear in mind—and I do not recall whether this was expressly stated in the statement; I believe it was—that the reason the director required the installation of the water service was not because of current conditions in the wells from which the people take their drinking water, but rather as a precaution against any future migration from the landfill site.

It is not a matter of an emergency situation where some immediate action must be taken. My ministry staff is ready to proceed without any delay with the appeal. There is a prehearing hearing, this Thursday I believe, in Markham. We will be prepared to proceed as soon as the board sets the date for proceeding.

I do have some concern that some parties—not the company, but some other parties—to the hearing are contemplating requesting a delay in the hearing proceeding until, I understand, some time this fall, or so I have been advised by our legal counsel. That causes me some concern, but that is not the doing of the ministry.

**Mr. Charlton:** You should check that, because I get the opposite indication from Stouffville.

**Hon. Mr. Norton:** I am telling the truth. I do not know what the member is getting at.

The fact is, the ministry is ready to proceed. The company has not indicated any intention to request any delay. It is my understanding that the municipality and the citizens' group may this week request a delay in the hearings proceeding. I would not like to see that happen, because I do not think it is necessarily in the interests of the citizens of that community that the hearings be delayed.

However, they would have sought the best advice they could and they are represented by legal counsel who will advise them. I may not agree with that advice in terms of delaying the hearing, but on the other hand, I am not prepared to thwart the wishes of the citizens if they are acting on advice from their counsel.

**Mr. Elston:** Mr. Speaker, if it is, as the minister perceives it to be, a case of possible delay in this hearing process going through, would he undertake as Minister of the Environment to ensure there is a supply of fresh and good water to the people of the Whitchurch-Stouffville area, as indicated in his announcement, either by having the ministry assume the responsibility for hooking up the area to a good supply, or, in the alternative, providing the bottled water solution that has been in effect for one particular area resident; and would he do that pending the outcome of the appeal process?

**Hon. Mr. Norton:** Mr. Speaker, anyone whose quality of water supply is in question, and who has been cautioned by the medical officer of health with respect to its consumption, is already receiving an alternative supply of water. There is nothing at present to indicate that any of the other water supplies or wells are in any way jeopardizing the health of the citizens.

**3 p.m.**

I have no intention, outside of a recommendation from the medical officer of health, of running around the province giving people bottled water when it is not required or indicated. There is nothing at present to indicate that there is any problem with the quality of the water.

**Mr. Elston:** You told the people that they need an alternative supply of water.

**Hon. Mr. Norton:** Well, all right. Maybe it is important for the honourable member that I repeat for about the 14th time in this House the

fact that the requirement to install an alternative water supply was not based on current conditions but, rather, was a precautionary measure for protecting those citizens living closest to the site in the event of any future migration from the site.

There is no indication of migration at present although, as I have said before, there is an indication of impact, which is normal around landfill sites, in nonmedical parameters: things like the increased hardness of the water and so on. Those are normal phenomena and do not present a health hazard. There is nothing to indicate that there is any health hazard created by the existing water supply.

#### PRESS GALLERY BALL GAME

**Mr. Watson:** Mr. Speaker, I have a question for the Premier.

[Applause]

**Mr. Watson:** Thank you. I understand by rumour that a baseball game occurred in the city of Toronto last night. I wonder whether the Premier would report on the results of a certain baseball game that he is reported to have attended.

**Hon. Mr. Davis:** Mr. Speaker, quite obviously I will have to reassess any recommendations I might have to the Premier of this province in the future as to responsibilities that are given to members of our own caucus. A question of that nature is one I take exception to very vigorously.

It has been publicly reported in the press that the Premier's office staff exercised the humanity and sensitivity for which they are noted in allowing the press gallery after seven years to have some modest measure of success. I only say to the member for Chatham-Kent, please do not come to see me on any urgent matter in the foreseeable future.

**Mr. Watson:** Will the Premier consider expanding the team to some of the back-benchers in his caucus next year? He might have more success.

**Hon. Mr. Davis:** If the member for Chatham-Kent is volunteering to demonstrate to me his athletic prowess, now that I have been impressed by his intellectual prowess, the answer to that is yes.

#### MUNICIPAL ELECTION REFERENDUM

**Mr. Nixon:** Mr. Speaker, I have a question for the Premier regarding the possible inclusion of the nuclear disarmament referendum in the municipal ballot in certain municipalities.

Will the Premier do something to dispel any

possible confusion based on his own last statement, which was that "perhaps it was not legal for municipalities to do this and that perhaps it would leave open the possibility of invalidating the election itself;" that of the Attorney General (Mr. McMurtry), who said that "it would be most unlikely a municipal election would be declared null and void only for the reason that a question on nuclear disarmament appeared on the ballot;" and the statement made privately by the Minister of Municipal Affairs and Housing (Mr. Bennett), when I asked him, indicating that I could tell my municipalities who were interested in this that they could probably proceed without endangering the validity of their elections?

Will the Premier either make a statement to clarify this matter or, in conjunction with the acting government House leader (Mr. Gregory), see that Bill 133, standing in the name of the member for Waterloo North (Mr. Epp), is brought forward, realizing that it already has had second reading and is supported by members in parties on both sides of this House, so we could clarify the matter before the House rises, I hope in the next few days?

**Hon. Mr. Davis:** Mr. Speaker, I was not aware that there was this degree of confusion. I will consult with the acting Attorney General or the Deputy Attorney General and the Minister of Municipal Affairs and Housing and see whether it needs clarification.

#### PETITIONS

##### ENERGY RATES

**Mr. Kerrio:** Mr. Speaker, I beg leave to present a petition to the honourable the Lieutenant Governor and the Legislative Assembly of Ontario. It is just part of a petition that has been signed by 38,574 persons in total. I have about half of the signatures here, and the member for Welland-Thorold (Mr. Swart) has the other half. The petition reads as follows:

"We, the undersigned, beg leave to petition the Legislative Assembly of Ontario to cause the government to involve itself in the pending rate application of the Consumers' Gas Co. Ltd. by public statement and by direct intervention on behalf of the residential consumers so as to prevent the imposition of a user's charge of \$18.30 per month and a 35 per cent increase in the price for natural gas consumed in the months of January, February and March."

**Mr. Swart:** Mr. Speaker, I too have copies of the same petition addressed to the honourable



the Lieutenant Governor and the Legislative Assembly of Ontario. My petition is signed by 21,202 people. I will not repeat the wording of that petition, except to say that these 21,202 people, plus those whose names were presented by the member for Niagara Falls, want the government to take a stand against the proposed rate increases by Consumers' Gas.

#### TAX ON CLOTHING REPAIRS

**Ms. Copps:** Mr. Speaker, I have a petition addressed to the Treasurer (Mr. F. S. Miller) to join with many other petitions with respect to the recent changes in the budget. The petition includes the names of 350 customers at one dry cleaning establishment in Hamilton and reads as follows:

"We, the undersigned customers of Porter's Dry Cleaning Services, 1360 Main Street East, Hamilton, support their protest of the June 14 expansion of the Ontario provincial sales tax that imposes this tax on charges for repairs and alterations to clothing by dry cleaners and launderers. We urge the Honourable Frank S. Miller, Treasurer of Ontario, to withdraw this application of his May 13, 1982, budget since it is unfair, inequitable, inflationary and an added hardship especially on the elderly, the unemployed and the working poor."

#### PROGRAM 60

**Mr. Van Horne:** Mr. Speaker, I have a petition which is addressed to the Lieutenant Governor and the Legislative Assembly regarding Program 60. It reads as follows:

"We, the undersigned, urge that education should have no age boundary. The rapid growth of Program 60 shows it is very much needed in the community. A nutritional, social and educational program for those over 60 was established in September 1980. The withdrawal of provincial funding from the general interest courses of continuing education programs as it affects the programs, especially for seniors, is of deep concern to London citizens. We urge that the government of Ontario provide funding for the continuance of this specific type of program."

#### TAX ON CLOTHING REPAIRS

**Mr. McKessock:** Mr. Speaker, I have a petition which reads exactly the same as that of my colleague the member for Hamilton Centre (Ms. Copps) pertaining to the sales tax. It is addressed to the Treasurer and is signed by numerous customers from the dry cleaning establishment known as Hanover Dry Cleaners.

#### TAX ON MEALS

**Mr. Wrye:** Mr. Speaker, I have a further petition for the Treasurer, signed by 293 people who are adding their names to the thousands who have already signed petitions. It states:

"We, the undersigned, oppose the seven per cent retail sales tax to be charged on food products."

#### TAX ON CLOTHING REPAIRS

**Mr. Allen:** Mr. Speaker, I have a petition for the Lieutenant Governor and the Legislative Assembly of this province which reads precisely the same as that presented by the member for Hamilton Centre. It is from the Dry Cleaners and Launderers' Institute (Ontario) and from two of its members, Trillium Cleaners and Dollar Cleaners and Dyers Ltd. in Hamilton. The reading is precisely the same as that of the petition read by the member for Hamilton Centre and it contains signatures of approximately 1,000 customers.

3:10 p.m.

#### RETAIL SALES TAX

**Mr. Cooke:** Mr. Speaker, I have another addition to the petition directed to the Lieutenant Governor in Council which states: "We, the undersigned, oppose the extension of sales tax introduced by the Ontario government in the May 13, 1982, budget." This one has 160 names on it and now brings the total for that one petition to more than 6,000 names.

#### TEACHERS' SUPERANNUATION

**Mr. Gordon:** Mr. Speaker, I have a petition to the Lieutenant Governor and the Legislative Assembly:

"Whereas on December 31, 1981, assets of the teachers' superannuation fund totalled \$5.4 billion and whereas the major problem facing education in Ontario is that of declining enrolments, we the undersigned urge that the government of Ontario agree to the following amendments to the Teachers' Superannuation Act and the regulations thereunder:

"1. Removal of penalties applied to B and F pensions. These penalties result in extremely low pensions, often below the poverty line after 20 years or more of teaching.

"2. A 70 per cent pension based on an 85 factor as recommended by the Jackson Commission on Declining School Enrolment in Ontario, at least until 1986.

"3. Pension based on the best five years as an

encouragement to teachers to retire at an earlier age.

"4. Improvement cost based on experience rather than actuarial projections. Dr. Jackson recommended these costs be monitored on an annual basis, with a thorough evaluation in 1986.

"Urgency of the implementation of the above, together with other items currently under discussion between the Ontario Teachers' Federation and the government, would have the effect of preserving the jobs of more junior teachers and possibly creating the necessity to hire, thus providing a teaching staff with a variable age, class and distribution."

### MOTIONS

#### MINISTRY OF INDUSTRY AND TRADE ACT

Hon. Mr. Gregory moved that the order for reading of Bill 38, An Act to establish the Ministry of Industry and Trade, be discharged and that the bill be referred to the committee of the whole House for amendment.

Motion agreed to.

### COMMITTEE SITTINGS

Hon. Mr. Gregory moved that the following standing committees be authorized to meet during the summer recess in accordance with the schedule of meetings agreed to by the three party whips:

Standing committee on resources development, to consider the Weiler report and the White Paper on the Workers' Compensation Act;

Standing committee on procedural affairs, with authority to adjourn from place to place in September during its review of the operation of certain agencies, boards and commissions of the government;

Standing committee on administration of justice, to consider Bill 11, An Act to provide for the Licensing of Businesses by Municipalities;

Standing committee on social development, to consider the subject of family violence, with authority to travel to London and St. Thomas and within Metropolitan Toronto, and to consider Bill 138, An Act respecting the Protection of the Health of the Public;

Standing committee on general government, to consider Bill 127, An Act to amend the Municipality of Metropolitan Toronto Act;

Standing committee on public accounts, with authority to travel to Ottawa.

Motion agreed to.

### COMMITTEE SUBSTITUTIONS

Hon. Mr. Gregory moved that the following substitutions be made:

On the standing committee on general government: Mr. Bradley for Mr. Eakins, Mr. Cunningham for Mr. McKessock, Mr. Eves for Mr. Gordon, Mr. Grande for Mr. MacDonald, Mr. Havrot for Mr. J. M. Johnson, Mr. Ruprecht for Mr. Haggerty, Mr. Stevenson for Mr. Lane, Mr. Wildman for Mr. Samis;

On the standing committee on resources development: Mr. Di Santo for Mr. Stokes, Mr. Wrye for Mr. J. A. Reed;

On the standing committee on administration of justice: Mr. Breaugh for Mr. Renwick, Mr. Epp for Mr. Spensieri;

On the standing committee on social development: Mr. McClellan for Mr. Cooke from September 7 to October 8, Mr. Renwick for Mr. R. F. Johnston from September 7 to October 8;

On the standing committee on procedural affairs: Mr. McLean for Mr. Piché;

On the select committee on the Ombudsman: Mr. Eakins for Mr. G. I. Miller, Mr. Hodgson for Mr. Treleaven, Mr. Mackenzie for Mr. Cooke.

Motion agreed to.

### INTRODUCTION OF BILLS

#### VITAL STATISTICS AMENDMENT ACT

Hon. Mr. Elgie moved, seconded by Hon. Mr. Gregory, first reading of Bill 170, An Act to amend the Vital Statistics Act.

Motion agreed to.

**Hon. Mr. Elgie:** Mr. Speaker, I am introducing for first reading three minor housekeeping amendments to the Vital Statistics Act. This act is administered through the registrar general's office and, among other things, provides for the keeping of both birth and marriage records.

The first of these amendments would allow applicants to request that additional information be included on paper birth certificates. This will save an estimated \$20,000 annually by reducing the number of requests we receive for certified copies of birth registrations. With this change, longer-form paper birth certificates showing parents' names and their places of birth will be provided where requested for immigration or other official purposes.

A second amendment would allow transsexuals to change the sex designation on their birth



records following the submission of a medical certificate from any doctor licensed to practise in Canada. As it now stands, such certificates are accepted only from Ontario doctors and the Liberal Party.

The final amendment will eliminate some minor confusion over the registration of divorce and annulment decrees issued by the Supreme Court. Section 2 of the act requires us to register divorces occurring in Ontario, but section 27 limits such registration to only those cases in which the original marriage was conducted in this province. This amendment will authorize the registrar general to register all divorce decrees issued here.

And I was kidding about the other, Mr. Speaker.

**Mr. Breithaupt:** On a point of privilege, Mr. Speaker: If the minister is of the view that he wishes this legislation before the House adjourns, we will be quite pleased to accommodate him, because the bill is a housekeeping one and might be of some help to a number of people before the fall session.

**Hon. Mr. Elgie:** I will speak to our whip.

#### FARM PRODUCTS CONTAINERS ACT

Hon. Mr. Timbrell moved, seconded by Mr. Andrewes, first reading of Bill 171, An Act to revise the Farm Products Containers Act.

Motion agreed to.

#### MINISTRY OF AGRICULTURE AND FOOD AMENDMENT ACT

Hon. Mr. Timbrell moved, seconded by Hon. Mr. Eaton, first reading of Bill 172, An Act to amend the Ministry of Agriculture and Food Act.

Motion agreed to.

3:20 p.m.

#### PRIVATE INVESTIGATORS AND SECURITY GUARDS AMENDMENT ACT

Mr. Mackenzie moved, seconded by Mr. Breaugh, first reading of Bill 173, An Act to amend the Private Investigators and Security Guards Act.

Motion agreed to.

**Mr. Mackenzie:** Mr. Speaker, the bill is intended to prevent undercover activities by private investigators on picket lines in the course of a legitimate labour dispute.

### ORDERS OF THE DAY

#### THIRD READINGS

The following bills were given third reading on motion:

Bill 12, An Act to amend the Municipal Act;

Bill 13, An Act to amend the County of Oxford Act.

#### MUNICIPAL ELECTIONS AMENDMENT ACT

Hon. Mr. Bennett moved third reading of Bill 119, An Act to amend the Municipal Elections Act.

**Mr. Roy:** Mr. Speaker, I have a few comments on Bill 119. I am sure the minister would not want this bill to go forward for third reading until I have put on the record some of the comments about the bill which I gave to him privately the other day.

We are very pleased that one of the sections of the bill, section 25—I say that just for the record to show I read the bill—allows a municipality to enact bylaws to put limits on campaign contributions. Those of us on this side are very favourable to that principle.

I must say, though, as I said to the minister at the time that he brought forth the legislation and again just the other day, I was somewhat disappointed that the minister did not avail himself of the opportunity, when bringing forward this legislation, to give the power to municipalities to set limits on the amount that a candidate could spend in an election. I find that very unfortunate. It is also unfortunate, especially considering the fact that there is no limit on the amount a candidate himself can put into an election.

I suppose the minister is consistent, if nothing else. There are no limits on provincial election spending, and I guess he felt he was consistent in carrying forward the same principle for municipalities. It seems to me, though, that the election of a candidate should not be based on one major criterion, the spending of moneys. All people should have equal access to being candidates for election, and that should not depend on the amount of money one spends.

The second thing that disappoints me about the bill—again, I am not arguing with the principle, because we are in favour of it—is that it is unfortunate that in allowing individuals to make contributions to candidates and forcing disclosure of these contributions, which we agree with, there is no scheme of tax relief for people who are making donations at the municipal level, as there is tax relief for people who

are making donations at the provincial and federal levels.

The minister can say there is a problem with that because, as we know, there are no municipal income taxes which allow this type of deduction. I am convinced, though, that a scheme could have been enacted along the lines that part of the salaries of municipal councillors is not taxable. So there is already a precedent set whereby, by way of a deduction from the provincial income tax, I am sure another scheme could have been enacted.

I notice as I speak that my colleagues from the New Democratic Party like to play with their fingers. I do not know what it means but I suspect it is a sign of encouragement.

The last thing I have to say about the bill is that an individual candidate is not limited as to the amount he can contribute to his own campaign. I find that unfortunate. That is inconsistent with the legislation brought forward by the government which controls provincial candidates.

Mr. Speaker, even though you may have large personal wealth—I do not know whether you have or not, but you are shaking your head that you do not; some other members here do, although I do not intend to point a finger at anyone around me—even those members who have access to personal wealth are limited as to the amount of money they can contribute to their own campaigns. It seems to me that principle, which exists at the provincial level, should exist at the municipal level so that the measure of a candidate should not depend on the amount of money he or she can spend on his or her own election.

I say to my good friend the member for Ottawa South (Mr. Bennett), his legislation would have been very nearly perfect had he accepted my suggestions. I know it is difficult for him to separate himself from the Conservative element that dictates some of his decisions in enacting this legislation but, if the member for Ottawa South had enacted this legislation with my suggestions, he would have been praised by all municipal candidates across Ontario. Who could ask for more than that?

**Mr. Speaker:** All those in favour of the motion will please say “aye.”

All those opposed will please say “nay.”

In my opinion the ayes have it.

Motion agreed to.

## EDUCATION AMENDMENT ACT

Mr. Dean moved, in the absence of Hon. Miss Stephenson, third reading of Bill 46, An Act to amend the Education Act.

**Mr. Speaker:** All those in favour will please say “aye.”

All those opposed will please say “nay.”

In my opinion the ayes have it.

Motion agreed to.

## TECHNOLOGY CENTRES ACT

Hon. Mr. Walker moved third reading of Bill 124, An Act to establish Technology Centres.

**Mr. Sweeney:** Mr. Speaker, I have one point to make that had not occurred to me until I had a chance to look over Bill 30, which we are going to be discussing later today. I suspect there is a reason, and perhaps this is as good a time as any to have the minister explain what the reason is.

In Bill 124, An Act to establish Technology Centres, there is a reference in subsection 4(4) to the possibility of a member of this assembly being a director of a centre. Yet I notice in Bill 30, and we can talk about this when we come to Bill 30, there is a section that is going to prohibit members of municipal councils from being directors of development corporations. I suspect we will find when we come to Bill 30 that one of the reasons is to avoid any conflict of interest.

It occurs to me that the same is a distinct possibility with reference to the technology centres. There is going to be relationships between the technology centres and business and industry in this province, and that relationship could spill over into this Legislature. I wonder to what extent the minister has taken that into consideration or whether he has assured himself that this simply cannot happen.

**Hon. Mr. Walker:** Mr. Speaker, I think one has to distinguish between the technology centres, which are set up for a totally different kind of purpose, and the Ontario Development Corp., which will be subject to some discussion in a few minutes when we get to Bill 30.

**3:30 p.m.**

The Ontario Development Corp. is a lending vehicle, an organization that lends money, and sometimes lends it at particularly beneficial rates, a corporation that sometimes makes direct grants. With some 900 municipalities in Ontario and the consequent number of municipal councils and the number of municipalities that are directly involved and often related to some of the industries that might be making application, I think one can draw a greater



potential prospect of conflict of interest than can be otherwise drawn.

On the other hand, if we back off to the Technology Centres Act for a moment and talk of that, it is rather important that members of this Legislature understand fully what is happening in the technology centres. This government is focusing a great deal of attention on technology centres, so the availability of information to the members is useful. We have been operating the technology centres to date with steering committees that directly report to me. They are called ministers' advisory committees. I have established one for each of the individual technology centres.

As the member was beginning to stand up, I was signing the letters going out with respect to the farm implement and food processing centre to those who will serve on that minister's advisory committee. We are asking some of the local MPPs to serve on those committees. In the case of Ottawa, the member representing the area has been asked to serve on that steering committee, as an adviser to me. The same thing applies—

**Mr. Sweeney:** I'll bet he's a Tory.

**Hon. Mr. Walker:** Some of the centres are located in Conservative ridings, so we have asked some of the Conservative members to serve on them. As a consequence, one can see the relationship there and the value that comes from the knowledge that will be acquired. In Peterborough, we did not ask the local member to serve on the committee for reasons that are apparent to at least the local member and to a good many others.

The idea is to provide direct information. The technology centres are quite a bit different from what might normally be the case of a lending institution. We feel the information will be useful. It may be that the boards we set up towards the end of the summer, after the steering committees have had a chance to practise their wares and exercise their efforts, will include the odd MPP to serve on them. I hope we will see some rotation of MPPs, so that knowledge of the industry is acquired directly. I think that will be beneficial.

We may even see the day when the odd person from a party, perhaps an opposition member, might have a chance to serve on a committee. The member for Kitchener-Wilmot (Mr. Sweeney) would undoubtedly make a creditable contribution to one of these committees. That may just happen.

I think I can draw a clear distinction between

the two, the technology centres, which are a form of service, and the Ontario Development Corp., which is really a lending institution, quite a different kettle of fish.

Motion agreed to.

House in committee of the whole.

## MINISTRY OF INDUSTRY AND TRADE ACT

Consideration of Bill 38, An Act to establish the Ministry of Industry and Trade.

**Mr. Chairman:** The minister has an amendment to section 4. Are there any comments on sections up to but not including section 4?

**Mr. McClellan:** Only to say that over the course of the last two months we have put our concerns amply on the record with respect to this ministry.

Sections 1 to 3, inclusive, agreed to.

On section 4:

**Hon. Mr. Walker:** Mr. Chairman, I wish to have the House in committee of the whole entertain this amendment, which has been circulated. It is the standard amendment relating to annual reports.

**Mr. Chairman:** Hon. Mr. Walker moves that section 4 of the bill be amended by adding thereto the following subsection:

"(2) The minister after the close of each year shall submit to the Lieutenant Governor in Council an annual report upon the affairs of the ministry and shall then lay the report before the assembly if it is in session or, if not, at the next ensuing session."

Motion agreed to.

Section 4, as amended, agreed to.

Sections 5 to 18, inclusive, agreed to.

Bill 38, as amended, reported.

On motion by Hon. Mr. Walker, the committee of the whole House reported one bill with a certain amendment.

## MINISTRY OF INDUSTRY AND TRADE ACT

Hon. Mr. Walker moved third reading of Bill 38, An Act to establish the Ministry of Industry and Trade.

**The Deputy Speaker:** All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

## DEVELOPMENT CORPORATIONS AMENDMENT ACT

Hon. Mr. Walker moved second reading of Bill 30, An Act to amend the Development Corporations Act.

**Hon. Mr. Walker:** Mr. Speaker, these amendments are relatively housekeeping in nature. They permit the Ontario Development Corp. to carry on its functions in a way that is truly businesslike. It will allow the Ontario Development Corp. in effect to do some of the government business as the government may direct, as it relates to certain aspects.

For example, if the Ministry of Health were to have some intentions with regard to a medical laboratory that it might be involved in, the Ontario Development Corp. would do the bidding and carry the shares. It would be directly involved in a case like that.

One aspect that comes to mind is Allelix Inc., in whose shares the government of Ontario participates to the tune of 20 per cent, John Labatt Ltd. participates with 30 per cent and the Canadian Development Corp. with 50 per cent.

3:40 p.m.

If it were for another ministry, this would allow the direction to be taken by the Ontario Development Corp. to carry the shares, to do as it sees fit and to trade shares as may be required. This is the purpose of the amendment.

The amendments will also widen the financing mechanisms available to the corporations, to the Eastern Ontario Development Corp., the Northern Ontario Development Corp. and the Ontario Development Corp., making them quite a bit more responsive to the special needs we have in Ontario industry.

There have been in the past and obviously will be in the future quite legitimate requests for financial assistance outside the normal policy guidelines and authority of the development corporations. In these circumstances we wish the decisions to be made by government, with the development corporations to act as the agents, to do the responsible thing and to be perfectly legitimate in the process of implementing the decisions.

Under the proposed legislation, the development corporations will get wider powers to negotiate or even compromise the terms and conditions of existing loans where such action is necessary to attract private investment capital, thereby ensuring the survival and the viable continuance of existing Ontario industries.

To ensure impartiality in the decision-making

process, officials of a municipality, whether elected or employed, will not be eligible for membership on the boards of directors of the development corporations. There is no provision at the moment in the Development Corporations Act to disqualify people who are municipal officials, whether they are working for the municipality or actually elected to the municipality, from membership on the boards of directors of the corporations. This bill provides that disqualification would occur and sets that out in the three subsections of the first section in setting that up.

In addition, some amendments are being proposed to subsection 12(1) of the act to permit the corporations to make grants and to provide interest subsidies. The grants would only be made in selective situations of considerable economic benefit to Ontario and, of course, with prior cabinet approval. In other words, the cabinet would direct what had to be done.

If implementation of the interest subsidy program was approved by the Ministry of Treasury and Economics, the cabinet would require enabling legislation at the time.

Subsection 12(2) of the Development Corporations Act is amended to permit the corporations to forgive repayment of a loan in whole or in part where such action would stimulate additional private investment to ensure continuity of a business that would otherwise fail.

Section 19a is being added to the Development Corporations Act to clarify the agency role the development corporations can play with respect to cabinet decisions to provide financial assistance beyond the general mandate. In such circumstances, the corporations will be required to comply with the kind of direction that would be received from cabinet.

With those remarks, I will delay any further thoughts.

**The Acting Speaker (Mr. Cousens):** Just to clarify, you did not move the motion this afternoon, did you? Had it been moved before?

**Hon. Mr. Walker:** I thought it was this afternoon. In the event I did not, and I think I did, I will move it again to ensure that we avoid—

**The Acting Speaker:** I just had a little concern because we had changed chairs, so let me put it on the record here.

**Hon. Mr. Walker:** I move second reading of Bill 30, An Act to amend the Development Corporations Act.



I think it was in the process of your changing chairs.

**The Acting Speaker:** I will recognize that Mr. Walker has moved second reading of Bill 30, An Act to amend the Development Corporations Act, and has spoken to it.

**Mr. Sweeney:** Mr. Speaker, I have already indicated to the minister in another form that I have some concerns about the way in which the Ontario Development Corporation operates in Ontario. I have shared with him some of the expressions of concern which have been passed on to me by businessmen in this province, particularly by the Canadian Federation of Independent Business and the Canadian Organization of Small Business.

I have had discussions with spokesmen of those two associations and they have indicated that on numerous occasions their members have had great difficulties getting financial support processed by the Ontario Development Corp., the Northern Ontario Development Corp. and the Eastern Ontario Development Corp. Their concern rests on the fact that if there is too much paperwork involved, too much of a time line involved, by the time the thing is actually cleared or turned down, the business is usually in greater financial difficulty than it was in the first place.

So perhaps this is an apt opportunity for me to suggest to the minister, as I have suggested in that other forum, that the administration of the Ontario Development Corp. and its two sister bodies should be re-examined. I gave a particular case to the minister and, after what I think even the minister will admit was a fairly lengthy wait, I got an answer back. There were other factors involved, as the minister included in his answer. Nevertheless, the perception of not only that particular business, but of some other business associations to which it referred its problem, was that there was an undue delay, a lot of unnecessary paperwork and unnecessary time loss through the bureaucracy. I am just taking this opportunity to draw to the minister's attention that there is this perception outside the Legislature. If he wishes the Ontario Development Corp. to operate as he says it should be operating, that is one area he could look at very closely.

When we were talking about Bill 38, I noticed the minister made references to his ministry and one of them was to the Ontario Development Corp. If I copied the numbers down correctly, I believe he told us just yesterday that in 1981, the Ontario Development Corp. approved 650 loans.

At least, that is the figure I copied down. In responding to our comments this afternoon, I wonder if the minister could indicate to us how many applications there actually were. It is nice to know that 650 were approved, but even the minister would agree, that figure takes on a different flavour depending on whether there were 800 or 8,000 applications. I think the figure only makes sense if it is put in some kind of context. That is by way of an opening statement, if I may.

Let me go to the principle of the bill itself and to the amendments, as I understand them and as the minister has somewhat explained them to us. First, I want to support the section of the bill that prohibits members of municipal councils from being on the Ontario Development Corp. or on either of the other two corporations. My understanding is that this will prevent a conflict of interest because, since there is a regional aspect to the development corporations, a councillor from a particular region might tend to give more weight to an application from his or her region than they might to some other one. That possibility of a conflict of interest definitely exists.

As an aside, I still think there is a possible conflict of interest within the technology centres, particularly when we recognize that the final decisions of some of those technology centres can be made by the Lieutenant Governor in Council, by cabinet or something like that. I still think that problem is there. While we happen to be on that topic of conflict, I caution the minister to look at that pretty carefully, especially when he considers some of the powers those technology centres are going to have in order to acquire land and that kind of thing. But there is no problem with that particular section. I think it is reasonable under the circumstances.

When we go to the second section of the bill, I have a couple of questions. I support it; I have no problem with it, but I have a couple of questions I would ask the minister to respond to. First, how do we define exactly what is going to happen under clause 2(1)(ba) in terms of making grants?

**3:50 p.m.**

Second, why is the limiting word "industrial" used here? There are businesses in Ontario other than industrial. If the word "industrial" is intended to be all-inclusive, then perhaps we should have a definition somewhere. It is my understanding that the Ontario Development Corp. can relate to businesses that are not

strictly industrial in that sense of the word. Perhaps the minister would indicate why we have only industrial undertakings in this particular section.

In the next one, clause 2(1)(bb) of the bill, referring to subsection 12(1) of the act, with respect to paying interest subsidies, once again we support that. We think that is a good idea. If banks or lending institutions of one type or another are threatening to close down a business and this business is worth saving and can be saved by paying an interest subsidy, that is a good idea.

Moving on to the next one, clause 2(2)(d) of the bill, referring to clause 12(1)(d) of the act, the minister appreciates that it is the second half of this clause that is new. The first half is precisely the way it is in the act at the present time. We support this, but we have a concern. We do not know what the criteria will be in terms of releasing, in whole or in part, a debt that is owed.

If I understand this correctly and if I understood what the minister said correctly, money that is owed by a business to the Ontario Development Corp. can be released and does not have to be paid back. That is partially to allow for other things to happen. However, the minister will surely realize that without any criteria, this could become a very subjective decision.

It would be our recommendation that before this particular section becomes law, some guidelines or regulations, something of that nature, be drawn up so there would be no possibility of abuse. The minister will appreciate that this is wide open.

We are not sure under what circumstances a debt might be released. There could be some fairly questionable calls, again depending upon who the members and directors of these various corporations are and their relationship with some of their client bodies. Even though it might be at arm's length, they may be tempted to release these debts for reasons that are not in the best interest of the corporation and, therefore, ultimately of the people of the province.

Before this section becomes law or at least before it is applied, before it comes into general use, we would urge the minister that there be a set of criteria, or a regulation in some form, so that it would be very clear as to the circumstances that must be present before the debt can be released. We have no objection to the principle; that is not the question. It is the mechanism we are questioning.

Finally, with reference to clause 19a, in section 3 of the bill, I am not sure whether it is just a misprint or whether there is a different way of interpretation, but either at the end of the first line or at the beginning of the second line, I am not sure which, the word "development" seems to have been omitted.

The explanation on the page immediately opposite says, "... the Lieutenant Governor in Council may authorize a development corporation to act as an agent..." yet the word "development" is not used in the section. I do not know why it was left out there. Perhaps the minister could refer to it. I suspect it was just a misprint and it would be fairly easy for the minister to introduce an amendment to put it back in again. To use just the word "corporation" is a little bit liberal and a loose use of the language. Let us be more precise when we are dealing with a body that can be responsible for fairly significant sums of money, as the minister said himself.

The second observation I would make here is the main thrust of this, that the Ontario Development Corp. would act as an agent for Ontario, the government of Ontario and, indirectly, the people of Ontario. The powers of an agent are considerable. The minister would appreciate that the agent binds the principal as long as the agent is active. Once again we would like to know what the criteria are, what the limitations on this are. Surely the minister himself knows that in general business practice a private corporation would not allow anyone to be its agent and to make decisions on its behalf without some pretty clear guidelines and pretty clear limitations on what that agent could or could not do on its behalf, and there is no indication here that there are any such limitations.

I would once again simply draw to the minister's attention that as it reads now, the agency status of the corporation is very, very broad, and the kinds of decisions it might make on behalf of Ontario, for whom it is an agent as described in this section, in our judgement need to be circumscribed in some way. Therefore, I guess I am suggesting that with respect to both subsection 2(2) and section 3 there needs to be some definition, some limitation, some form of regulation of how these are going to be enacted before this should be put into practice by the minister or by the government.

In general we support this piece of legislation, and we would ask that the minister respond to those particular concerns.



**Mr. McClellan:** Mr. Speaker, we intend to support this legislation. As the previous speakers have indicated, it is obviously housekeeping legislation.

I should point out, without reopening the debate, that it is housekeeping in aid of the implementation of the government's Board of Industrial Leadership and Development program by and large. We are still a bit unclear as to whether there is any distinction between BILD on the one hand and the general revenue fund on the other, or whether, as the years drag on, everything this government does by way of public expenditure will be subsumed under the rubric of BILD.

With a new ministry and a new minister not quite, I suspect, so far into the kind of flamboyant self-promotion as his predecessor, the member for St. Andrew-St. Patrick (Mr. Grossman) was, perhaps the new incumbent will be a little bit more modest about the claims of the BILD program and the programs that are brought into being as a result of the provisions of Bill 30 before us here. We can only express the fond hope.

Again without reopening the debate, many of our members have expressed our profound reservations about the BILD program because of the absence of an industrial strategy on the part of the government; the lack of commitment to import replacement; the lack of a coherent strategy for the development of our secondary manufacturing sector; the government's indifference, which was shown, or at least reviewed, this afternoon in question period; and its lack of concern over the apparent deindustrialization of this province as a result of branch plants closing and returning during a time of economic difficulty to their mother countries.

While theoretically the provisions of this act strengthen the capacity of the government to deal with these kinds of problems by giving them some important powers, I venture to predict they probably will not be used in any creative or constructive way. Nevertheless, we do not stand in the way of the government assuming these additional authorities, and we only express the hope that sanity will somehow prevail that the incumbent's innate predilection for Reaganomics will somehow be stifled within his bosom, that he will recognize there is not just a creative role for government in the object of rescuing our economy from the kind of crisis that confronts us but, indeed, an obligation and an imperative upon the government to inter-

vene to promote the orderly and balanced development of our economy.

**4 p.m.**

**Mr. O'Neil:** Mr. Speaker, while the minister is speaking on this particular subject, I have encountered a couple of problems with the Eastern Ontario Development Corp. I wrote to him about them on June 22. I realize that not much time has passed in between, but he talked about clearing up some of the problems his ministry has encountered and wanting to make sure this legislation makes it possible that some of these problems do not exist.

I would ask the minister to comment, when he gets up in a few minutes, on a couple of the problems we have encountered with industries in the Belleville-Trenton area. They relate to the small-business incentive program. I will read part of one letter without naming the company:

"This company is once again considering new capital expenditures as part of our long-term plan of expansion and upgrading of old facilities. In order to finance the proposed capital expenditure we approached the Eastern Ontario Development Corp. but have been advised by the EODC that the small-business incentive program, which provides for interest-free forgivable loans, while still in effect, has run out of money. The balance of funds remaining has been committed to other projects. The EODC will still accept applications. However, they cannot make a commitment unless new funds are provided or some of the other projects to which funds are committed do not go forward." The company asked me whether I was aware of this, and I wrote to the minister about it.

Another firm wrote me a similar letter about wanting to expand and it mentioned, "My understanding of the eastern Ontario subsidiary agreement is that it was counterfunded by the Department of Regional Economic Expansion in the province in the amount of \$10 million. Acceptance of this program has been such that funds had been depleted by 1982 instead of the projected 1984 date." It also mentions that there are funds in other areas.

I wonder if this matter has come to the attention of the minister and if he would care to comment on whether, through this new legislation, there is not some way we can assist both of these industries and others within the eastern Ontario region that have run into the same kind of problem.

I would also like to say I have approached some of the minister's staff within the last six months regarding a new industrial park we have

in Trenton and additional industrial land we have in the city of Belleville. Not only the people in the Kingston office, but also a couple of people who came down from the Toronto office, were very helpful, had some excellent suggestions and were prepared to help us. But it seems we are having a little bit of trouble. I have had inquiries not only from some of the municipal people, but also from some of the builders and business people in my area who are quite anxious to do what they can to attract industry, not only from Ontario and the rest of Canada, but also from outside Canada.

I was just wondering if it might be feasible for the minister to get together with his officials to see whether there is some way he could take a small group of people, maybe three or four, into an area such as Belleville or Trenton and set up a short seminar and make some suggestions. Perhaps through a one or one-and-a-half day seminar, they could suggest how other sectors of the citizens can assist—not only, say, an industrial commissioner but some of the municipal people—how they might go about advertising their specific area, what they might do in the way of travelling or advertising outside their area to bring people to individual areas.

I have also been given some information about the number of people who come to the ministry from outside the province inquiring about eastern Ontario. Maybe it has something to do with the economic climate we are in, but I was surprised at the lack of inquiries from people who came to visit our area. Again, I wonder if there is some way we can generate more interest outside the province and the country, perhaps through ministry officials or whether our municipal people, industrial commissioners, builders, real estate people or other merchants, can assist in doing this.

I would love to see some sort of a small group or team set up by the minister and his staff to bring them into the area, and then maybe everyone within that area can help to work towards what the minister is also interested in.

**Mr. Haggerty:** Mr. Speaker, I want to address Bill 30, and I think I brought this to the attention of the ministry before.

Under section 2 there is some inequity built in. The notes say: "Under the proposed amendments to subsection 12(1), a development corporation will be authorized to make grants and pay interest subsidies to a person carrying on an industrial undertaking in Ontario. A development corporation will also be authorized to compromise or release in whole or in part any

security that it has taken and to release the debt evidenced by the security."

I have talked to a number of businessmen in Ontario and they endorse the development corporation program. There is always a question in their minds though as to why one businessman should have to pay 12 per cent interest and another, who perhaps borrows money through the Ontario Development Corp., gets it at zero per cent interest. In other words, they are not paying any interest on that borrowed money.

This was brought to my attention by a number of businessmen who would like to see some equity in this. They suggest that either one moves from zero to 12 per cent interest on it, or that some place along the line the minister could probably set it at eight per cent and make everybody who is borrowing from it happy.

With the free enterprise system in Ontario, nobody should get something for nothing, no matter who it is. If one is borrowing money from a government, borrowing from the bank or borrowing from someplace else, there is a certain principle involved that there is an interest rate that is within reason, is fair and equitable and that all persons borrowing will be treated alike.

This is what a number of businessmen in my area are concerned about. They have applied for loans from the bank and because they were in a good position to expand their business, they would have to pay 16 or 17 per cent. Here, it could vary from 12 per cent to zero.

In a number of cases, the person who is in a better position than a number of others was not getting the loan. I think a good, sound business, if it wants to expand, should have help in regard to where the loan is coming from. I have spoken to the minister before on this matter.

I have sometimes said I feel his staff in the Niagara region—and I do not mean to be critical about the staff because there are good persons there—feel their jobs are obsolete. What they want to do and what somebody else does over here is in direct contrast to what development should take place.

I suggest that someplace along the line there should not be any regional boundaries at all. In other words, if a plant wants to expand in Port Colborne, it should be allowed to expand in Port Colborne and not be directed to some other area.

This is what has happened over the past few years with the Ontario Development Corp. We have seen Hayes-Dana, for example, pull out



some of its holdings in the Thorold area, where it had ample acreage to expand, and expand to Barrie with a sizeable loan from the Ontario Development Corp. which eventually petered out. Maybe Volkswagen has taken over that part of Hayes-Dana. I do not know; hopefully they will.

The minister has actually not created any new jobs; he is just moving them from one locality to another. I do not think moving them is the purpose of the Ontario Development Corp. I think it is here to create new jobs, whether expanding in a locality or starting up a whole new industry.

I suggest no one should be getting something for nothing. The interest rates should be at six per cent or eight per cent. It is amazing what the government can do, both federally and provincially. When they want to lower the interest rates, they can find means to do so. They found the means to do it for the farming community to some degree in certain financial assistance programs.

The guy who has a home, though, has to be out there trying to survive. I am thinking of a story I read the other day which said that Canada has developed a program similar to the neutron bomb, but it is not the neutron bomb. It will destroy a person, but it will not destroy the building. That is the high interest rate.

Interjection.

4:10 p.m.

**Mr. Haggerty:** I have heard that one, too, but I thought I would go this way with Pierre Trudeau and Allan MacEachen. But now the member for Muskoka (Mr. F. S. Miller) is in with them too: the M and M kids.

What I am trying to get through to the minister is that the government can find a way to lower the interest rates for certain businesses. What bigger business is there than the business of building homes? That is the biggest investment an individual or couple will make. The furniture and appliances that go into it will keep the spinoff going in the industry and the government would not have Admiral closing its doors in Mississauga.

I suggest to the minister that perhaps he could use an arm of government to establish acceptable interest rates for persons who want to borrow in certain circumstances. Perhaps the Province of Ontario Savings Office could be a part of the Ontario Development Corp. That is an area the government should be looking at, because if a person wanted to borrow money

through a provincial bank it would be almost right on his doorstep. He could do his business dealings through the provincial bank just as well as he could through any other bank. He could borrow that way without having to go behind closed doors here in Toronto where wheeling and dealing goes on as to who should get a grant or not.

It is interesting that over the years grants have been given to the ski industries in northwestern Ontario. Some paid a high rate of interest and others paid no interest at all. I suggest to the minister maybe that is an area he should be looking at. He should be expanding the provincial savings banks.

They are a useful tool in our economy for any individual who wants to borrow money. Maybe they should be taken into the Ontario Development Corp., or perhaps they could be called, Ontario Development Corp. Provincial Banks. The government should be looking at innovative ideas so that it could tell the public it is there to assist them in their expansion programs. It would make it much easier for business people and it is always nice to have a bank on one's doorstep where a loan may be obtained.

There is a problem with the banks today. When a person signs a demand note now, the banks call it in regardless of when it comes due. This is causing a hardship in farming and small business. The province should expand into that area. It can do it without any cost to the government. It should not have to take moneys out of the consolidated revenue fund.

There is all kinds of capital out there. The small person, the blue-collar worker is putting his money into banks and trust companies. Tap that source. It is there. Give them some concessions. Give them some initiative to invest in the province and help to turn the economy around.

One way to do it is to sell provincial bonds in the corporation. Give the individuals a reasonable rate of 12 per cent or so; give it to them with no taxes attached. In other words, let the interest be tax free. In that way other interest rates will have to be competitive. I am sure the minister will see them come down to the same level. It would not be necessary for us to go offshore to borrow money.

That is what is really hurting every province in this country. Every time government wants to get a scheme going it goes to the American side to get the money. We are held at ransom, in a sense, because they control the interest rate over there.

We look for investment to come here from

outside. It used to be said that if you lowered the Canadian dollar you would have all kinds of investment in Ontario. But the Canadian dollar cannot go much lower, and we do not see them scrambling over here for that 20 or 30 per cent.

In the Fort Erie area they used to come over to buy cheap gas. Now they come over to put money in the banks to get the 30 per cent return on it. We are missing the boat. They are placing it in short-term interest paper and making money on it.

Another thing going great in Fort Erie is bingo games. It is almost as bad as the gas outlets. In almost every vacant building there is a bingo game going on. Of course, it works very well for the service clubs, and I might say we have some of the wealthiest clubs in all of Canada. Some of them are international, such as the Lions Club, which does wonderful work there. Perhaps that is an area the government should be tapping. They have the wealth.

There is so much the government could do without causing any hardship rather than going to the consolidated revenue and raising taxes to cover that. It would not have to increase the sales tax if it had some program of that nature. I am convinced about it. Municipal bonds and so on have worked well in the United States. That has got their programs going.

I think that is why one says the American enterprise system is more of a free enterprise system than it is here, because they have some initiative, some get up and go to encourage people to invest. Here we put it in the bank. We walk to the bank every six months or every month with a little gold book and look at the interest tabulated in the bank account. At the end of the year we get a pink slip. Then we turn around and give it back to the government because we have increased our incomes and so we are taxed. The government does very well on the high interest rates.

I was at a graduation exercise the other day in Pelham. They were giving out some of the scholarship awards. I think two were for \$1,450. The chairman had to make a correction. He said: "There has been an error made. It is \$2,036." One sees what are the benefits of the high interest rates even for scholarships. This is just to bring it to the members' attention that there is a profit to be made on it, even though it is adding to the cost of inflation in Ontario.

I support the bill in principle but some place along the line they could probably lower that interest rate to eight per cent and make every-

body happy, especially those who want to borrow.

**Mr. Samis:** Mr. Speaker, I will be brief on this because I have been provoked by my colleague the member for Bellwoods (Mr. McClellan) who has some remarks. The ironic thing I note about the bill is the minister who is piloting it through. This is the same minister who ranted and raved six years ago about free enterprise. Now here we are today. He is in charge of development corporations for the province, handing out public funds to the private sector.

We in eastern Ontario accept that concept, support it and, as a less developed region of the province obviously want to see it expanded. We have this minister who is noted as the great defender of rent controls in this Legislature, as the great defender of public investment in something called Suncor, as the great defender of a \$2.2-billion deficit, before us today defending public funds for the private sector. Politics breeds strange bedfellows. I wonder what lies ahead in the leadership race. We will support the bill.

**Mr. Van Horne:** Mr. Speaker, I note in the stated objectives in the bill that establishes the new ministry the ministry is supposed to be encouraging employment opportunities for Ontarians. If that is not stated directly, it certainly is implied.

I noted the minister made reference to co-operation between the Canada Development Corp., Ontario Development Corp. and industry and used the bio-tech John Labatt example. It was brought to my attention recently that a couple of the most senior management positions in that enterprise are occupied in one instance by a gentleman from the British Isles and in another by a gentleman from the United States. That was given to me on good authority. I had no way of refuting or commenting on it.

I simply observe to the minister that if his staff checks that out and it is true, somewhere along the way the minister or the ministry may have missed the point in not trying to ensure that those positions were filled by qualified and capable Ontarians.

Maybe he will say they did try to ensure those positions were so filled. The message given to me by the person who brought it to my attention was that there are an adequate number of very qualified people to fill these jobs, but the jobs went to people from outside the province. I make these comments by way of observation to the minister and would encourage him to check



into them and to make sure the objectives stated for the ministry's existence are followed.

4:20 p.m.

**Hon. Mr. Walker:** Mr. Speaker, the member for Kitchener-Wilmot (Mr. Sweeney) raised some questions that involve the timing or the approach procedure of the Ontario Development Corp. I think it is fair to say that in the past it has taken more time than we can legitimately claim is satisfactory, and we have instituted procedures that should shorten or telescope the length of time taken for the approval process.

Just this morning I was before my own caucus, because about a month and a half ago my own caucus had communicated to me a feeling that the length of time had been somewhat longer than they would prefer to see. I was able to report to them, and I am prepared now to share this information with the House, that we have shortened the procedure rather dramatically.

We found, for instance, that the average amount of time taken on these applications where they are before the development corporation is 22 days for staff consideration. In some circumstances the time increases because it has to go to the board. The board meets monthly and basically has enough work to keep it going for about three quarters of a day. Short of bringing the board in more frequently from their locations across Ontario—whether it is the Eastern Ontario Development Corp., the Northern Ontario Development Corp. or the Ontario Development Corp.; they are all representative of many communities in Ontario—we think that is probably a legitimate time to wait.

In addition to that, some portion of them have to go to cabinet, and this takes a further processing time of maybe seven days until the next cabinet meeting.

In any case, if the loan is under \$100,000, as are 63 per cent of the loans, which is not quite two thirds, the time taken is strictly the 22 days, because approval is given by the director and it does not have to go before the board. A further 23 per cent go to the board, which involves an extra 10 days on average; the board may not meet for 30 days after the file has been processed, but on average it works out to about 10 days. Then about 14 per cent have to go to cabinet because the amount exceeds \$250,000.

The loss of time occurs with the borrower himself. Whenever a borrower makes application all kinds of time is lost. In the first phase he loses four days just getting the application ready, and that is the kind of thing one would

normally expect; it is probably not too bad. Then five to 15 days are lost in the second phase, which is some of the review process; and a further number of days are lost. Anyway, a total of something like 74 to 84 days are lost by the borrower in his having been directly involved in the process.

In other words, it is through the ministry and it is in the hands of the borrower. Sometimes it is in the hands of his lawyer, sometimes in the hands of the borrower himself, to ultimately produce certain documentation that is required to provide the security the province obviously requires.

We have tried to figure out a way of shortening that, and in the last month we have been experimenting with a process where we have put out a pamphlet. It is just mimeographed, but it is filled with all kinds of information telling the borrower what to do, when to do it and how to get his money more quickly, that kind of thing: how to have disbursement occur rather quickly.

It is rather interesting that in that approach, which has been involving the northern Ontario rural development agreement we have with the federal government which is similar to the eastern Ontario subsidiary agreement—NOROSA, I guess it would be called—we have found that the time the borrower has been involved in it has telescoped dramatically down. Therefore, we are satisfied we are able to say today that we are gearing towards cutting in half the time it normally took.

Given that it was taking from 100 to 118 days, I was able to say to my caucus that in six months' time I would report to them on the experience we have had and if we had been able to cut it down. Our goal is to cut it down. That is our mission in terms of time. We feel we are succeeding on the basis of the experiment with the northern Ontario rural development program. We are now going to apply that to all Ontario development corporations. We are going to make sure we have telescoped the time wherever possible.

There is a new person in charge of the development corporations, Mr. Andrew Croll. He is committed to the mission of telescoping the time. He has simplified the forms. Just yesterday he was looking at the kinds of forms the federal government has, and ours are magnificent by comparison. They are so simplified as to be sort of a night and day comparison. We are trying to make everything much simpler. We are trying to simplify the time, make the requirements much simpler, streamline our demands;

all the time keeping in mind we have certain responsibilities to the public to ensure their security.

Please be assured that we are intending to telescope the time. We feel that in six months we will be able to report that the 100 to 118 days has been narrowed down to many fewer days on average. We are looking at a target of half that. That is our goal and our objective, that is the goal and objective of the chief executive officer at ODC and time will tell whether or not we have achieved it. But understand it is our mission to achieve that and it is our intention to have that occur.

The member for Kitchener-Wilmot raised some questions about the second section. In essence, how do we define the clause (ba)? Why is the word "industrial" limited? In this case I would refer the member back to the definition section of the act. Chapter 84 of the Development Corporations Act, 1973, in the definition section, section 1, defines "industry" as including "any trade or other business undertaking of any kind, and 'industrial' has a corresponding meaning."

Therefore, it covers any trade or other business undertaking of any kind. When one sees that word in the amendment to Bill 30 before us, clause (ba): "Subsection 12(1) of the said act is amended by adding thereto the following clauses: (ba) make grants to a person carrying on an industrial undertaking in Ontario," the definition for that includes "any trade or other business undertaking." So it is captured by the section.

The member also raised some questions about clause 12(1)(d). I believe the word "corporation" caused some concern, but that is defined as well. The member's concern was that there seemed to be a missing word; that we did not include the words "development corporation" and maybe that had been an oversight.

It was not an oversight, because again the word "corporation" is defined in the Development Corporations Act, 1973, which has for clause 1(1)(b) a definition for the word "corporation." It means the Ontario Development Corp., the Northern Ontario Development Corp. and the Eastern Ontario Development Corp. It is a word that has reference back to the definition section, so it is quite properly styled in the manner shown.

4:30 p.m.

There was some reference to the concern about "agent." The member for Kitchener-Wilmot raised the issue about section 3, where it

said, "The Lieutenant Governor in Council may authorize a corporation to act as agent for the province of Ontario in respect to programs, projects or matters undertaken or carried out by the province for the advancement of industrial or economic development in Ontario."

Again, going back to the act, one can develop the words "economic development" and see that is the limiting factor. As well, as to the word "agency" in section 3: the order in council that will be established authorizing the ODC to act in a certain set of circumstances will set out the limits of the ODC's authority to act as agent in each situation as the conditions and situations warrant. In that case, the ODC is asked to act as an agent, and these limits will be set out in the course of the order in council communicating with the ODC as to what should be done. That will be the definition of the limits the agency arrangement would call for.

The member for Quinte (Mr. O'Neil) is not here. I cannot help but notice that he made a great plea to me, this House and our government to interest corporations from outside the country to invest and establish in his area of the country. I thought to myself, "That is an interesting contrast," because just yesterday the member for Kitchener-Wilmot and I entertained some debate on just how much his party might be divided on the issue of foreign investment and how supportable or unsupportable it might be.

While the member for Kitchener-Wilmot would argue that we should be discouraging foreign investment, his colleague the member for Quinte, who sits directly behind him and probably would have been able to reach across the table and bang his Legislative Assembly dictionary on the member for Kitchener-Wilmot's head, obviously wants to have some foreign investment in his area. He thinks it is important to have jobs in his area. I guess he does not have quite the same benefits as flow in the Kitchener-Wilmot area.

I can appreciate that there is a discrepancy of views here. Such is life. I realize the pains the party must have from time to time in discussing these matters in caucus. I trust the scalp of the member for Kitchener-Wilmot has been preserved as an integral part of his body in the last while and has not been severed.

**Mr. Sweeney:** It is called diversity within unity.

**Hon. Mr. Walker:** That is a nice, neat way of putting it.

The member for Quinte also wanted some



seminars in his area on assisting industry, and perhaps foreign industry, to establish there and on how people might pursue it. I want to pursue that with the member and I will see to it that our people contact him in that respect.

He raised certain questions involving a letter he had sent to me about funds that appeared to have been exhausted. That is true; at the time they did appear to be exhausted. It is fair to say that from time to time the funds filter back into the system for a variety of reasons. Sometimes loans are approved and not taken up. Cancellations occur on our part or sometimes on the part of the companies that made application. As I say, sometimes the loans are declined by the companies. Whatever the case, there are some moneys available.

He made some reference to a company, the name of which begins with the letter "Q." I do not think I should reveal its identity, but that company's application is proceeding smoothly at the moment. We are rather optimistic that it will proceed to some success as per its request.

Another company, the name of which begins with the letter "D," has not applied, but we expect it will soon. There are some funds that probably will be available.

The member for Erie (Mr. Haggerty) raised some questions concerning the Ontario Development Corp. and the amount of interest that might be charged. I would have to say that the rates are variable and depend on the merits of the situation. I do not think the development corporations have ever been accused of being generous. Almost invariably it is the other way around: our demands are too high and our benefits, or our shavings of the interest, are too small.

In any case, we reserve the right to vary the rates as circumstances warrant rather than fixing a rate at eight per cent, as the member has suggested. Often rates are in the range of 12 to 14 per cent, or sometimes 16 per cent, and there is a case where the companies are quite prepared to pay those rates and indeed can, as experience has shown. We would prefer to do that rather than maintain a fixed percentage.

The member for London North (Mr. Van Horne) raised some questions about Allelix Inc. and the choice of people for some of the vocations. I am only loosely aware of the details in that case. It is my understanding that John Labatt Ltd., which had the lead role in the management of it, looked the world over for the kind of person who would be appropriate for

this particular innovative development never seen before in the world.

It is a world centre which had never been established before and which has no precedent. The fact is that they have chosen the best people they could possibly find, I understand. They, too, were somewhat disappointed that they had to go to another country to find that individual. However, I believe they are proud of the fact that the individual now has become a Canadian in the sense of being a landed immigrant, and that person will make a substantial contribution.

I am simply going on information I have and have heard about, so I cannot authenticate it; but my understanding is that this is innovative project deals with gene splitting. That being the case, this should develop into a world-renowned centre the likes of which we have never seen. They have found people who are prepared to bring that kind of concept into being. I think we will see a world-class centre there in a very short period of time.

I think that answers most of the comments that have been raised.

**Mr. Sweeney:** On a point of order, Mr. Speaker: I think the minister has neglected to comment on my concern about clause 2(2)(d) as to what the criteria would be for releasing a prospective borrower from the amount that is owed.

**The Deputy Speaker:** I must confess that if the minister has refrained from doing so, there is not much you or I can do about it.

**Mr. Sweeney:** I just did not know whether he forgot or does not choose to answer.

**Hon. Mr. Walker:** Mr. Speaker, I might offer some comment about the criteria for forgiving debts. We feel that we cannot be too rigid in this area, that we have to be flexible because of other lenders as well as other trade creditors who have to be dealt with in a process that might result in a forgiveness occurring. We cannot always tell in advance what the other secured lenders and creditors will agree to in order to save some company. Of course, as a result of that we have to determine it on the merits, and in this situation it gets down to a bit of horse trading.

Motion agreed to.

Third reading also agreed to on motion.

4:40 p.m.

## BUDGET DEBATE (continued)

Resuming the adjourned debate on the amend-

ment to the amendment to the motion that this House approves in general the budgetary policy of the government.

**Mr. Van Horne:** Mr. Speaker, it is a pleasure for me to be able to make a few remarks, much in the same vein as I would have made on the evening of May 27 had we not run into a technical problem on that evening. My comments at this time will be a little briefer and perhaps a little more succinct than they would have been then because of the events that have taken place between that time and now, not the least of which, aside from the various discussions and questions and debates we have had on the budget, was the election of the new member for Hamilton West (Mr. Allen). We have not met officially, but as I look over my shoulder I see him smiling, and I extend my personal good wishes on his being elected and on his determination to say a few words this afternoon on somewhat the same theme as I will follow.

Let me begin by making a reference or two to the background, as I see it, which caused our budget to come into play this year. To do that properly, we have to look back at the happening in the very early part of 1981. The people in this province of ours, in my view, were once again fooled, duped and taken in by one of the slickest advertising and promotional campaigns this province has seen. I refer, of course, to the success that the members opposite realized in the early part of 1981 when they were re-elected to a majority position.

The people in Ontario apparently did not want to hear much about what was actually happening in this province of ours. They did not want to hear that Ontario's rate of economic growth, in comparison to other provinces, was the worst of all the provinces in Canada. They did not want to hear that in the year 1980, and following into 1981, some 90 per cent of all new unemployment and 95 per cent of the layoffs in this country had taken place in Ontario. The number of people in Ontario who lost their jobs in the 12 months preceding the election was equivalent to the entire work force in the cities of Medicine Hat, Lethbridge and Red Deer. This province's greatest export to western Canada at that time was our young people; about 16,000 of them were out of work here, and a significant number of them headed west. On the other hand, we were still importing skilled workers into Ontario, while many of our native Ontarians were sitting idle.

We had that background. We had the elec-

tion call. We had people in Ontario not wanting to hear those things but, rather, apparently wanting to hear the jingle translated into votes. They wanted to hear about keeping the promise, whatever that was. The promise was never really defined until we got the budget of 1982; then we saw what stuff the Conservative government was made of, as they stuck it to every taxpayer in this province. The promise that was heralded in February and March of 1981, the wonderful thing that was going to happen to us, that mystery, did happen to us when we saw the budget that was brought in this year.

It is interesting to look back at that 1981 campaign and to recall some of the words of the Premier. I am referring now to the story out of the great city of Thunder Bay on February 7, 1981. The Premier told northerners that the government planned to spend about \$200 million on forestry management and plant three trees—not two as he had promised in the old Brampton charter; now it was up to three for every one cut during the next eight years.

Some of the media people who followed that campaign referred to it as a bit of "country fair and midway hokum where the show in the tent does not exactly match the promise of the barker out front." That observation, again made through the *Toronto Star* back in February 1981, pretty well reflects my feeling about what happened then and what is happening now: the touch of the "country fair and midway hokum where the show in the tent does not exactly match the promise of the barker out front." We had the barker, we had the promise, and now we find out what it is.

I could go on with many clippings. It is something all politicians do. We keep track of what the other guy says or the other girl says. We keep files. We try to bring this to the attention of our constituents and of the people who complain to us or who come to us. We try to prove what the feeling of that other politician is by quoting some of the words he or she has uttered.

I could go through page after page. In deference to the new member for Hamilton West and the time factor we are working within today, I will not refer to all of them; but let me pick one or two additional examples to indicate some of the things which we were promised and which we really did not realize.

For example, again in February 1981, the Premier (Mr. Davis) said in Chatham that there was a scheme under consideration, and that was the establishment of an auto parts research and



development centre somewhere in that part of the country. I ask the member for Chatham-Kent (Mr. Watson), have we seen it yet?

**Hon. Mr. Walker:** That is going into Niagara.

**Mr. Van Horne:** Into Niagara; but not into Chatham, as was indicated during the campaign.

Let us talk about the Ex-Cell-O plant and the number of wonderful jobs that was supposed to bring to London. Did it bring in the 130 promised jobs, a reference also made in February 1981?

I could go on and on with the promises made. "Keep the promise" has led us to become somewhat sceptical. The people in Ontario are very sceptical of this government for what it did through this budget and, in some instances, for what it did not do.

The budget could be handily criticized in detail for what it did not do in attempting to bring any balance into its affairs. We all know that from the time of the small initial deficit a little more than a decade ago up to the present huge deficit, each Treasurer indicated he was going to try to balance the budget—that is, up until the year 1982. I submit to the members, if they search through what was said on the evening the budget was presented, they will find there is no reference this year to balancing the budget.

If the members turn to what the budget said about employment, they will find the stress is there simply for short-range opportunities in the world of employment. They will find, if they look at the concerns this government has in the area of agriculture and food, that it is budgeting less money this year than it did last year in that area. Members will note that the much-heralded small business development corporation program of a year ago is not mentioned this year. What happened to that? Was it a disaster? We have errors of omission in this 1982 budget as well as errors of commission.

**4:50 p.m.**

In terms of one or two of the items I have brought to the attention of the House—first, the attempt to balance—let me submit that a pet theme of mine over the years I have been here is that the government should come up with some program to provide for disclosure of information relating to the cost of government programs.

In 1977, my first year in the Legislature, I introduced a private member's bill, Bill 125, which was entitled An Act to provide for the

Disclosure of Information relating to the Cost of Government Programs. The purpose of the bill was to provide for the public disclosure of cost information upon which decisions to undertake certain government programs are based. The bill required that the estimated total cost of each program be disclosed and provided for additional scrutiny of program operations if the estimated total cost was exceeded.

That bill and one other bill, relating to the way the government handles its finances, were debated in this Legislature; both those bills I introduced were blocked by the government. It did not even want this Legislature to vote on whether those themes were worth pursuing. I find it deplorable, in this day and age, that this government would not allow full debate on issues such as this.

Part of the problem we are into here in Ontario, and for that matter with our federal colleagues, is that many government programs have come along, been put on stream and let run their merry way with very little consideration of cost, where the program was going or how long it was going. We have, then, a variety of programs being looked after in a fashion by an ever-growing variety of civil servants, all of whom are making rather healthy salaries. Some of those programs could well be sunsetted, reduced or adjusted downwardly. But this government chose not to implement the program I suggested for providing some kind of scrutiny on government programs.

In a sense, the government is getting what it deserves. Through not watching its programs, through revenues that have shrunk in some cases, through costs that have skyrocketed and through inflation, which is not the least of the factors, the government has got itself into a horrid deficit position.

We all know the impact of the Treasurer's (Mr. F. S. Miller) disaster. Let me just take a few moments with the top 20—the young people in our community are very much with it in terms of music, and they have their top 10, their top 20 or their top 100. We have developed a top 20 of the Treasurer's hit parade in terms of the budget.

**Restaurants:** We know that the effect of the seven per cent sales tax on meals costing less than \$6 is being talked about by every person in Ontario.

**Retailers:** For the first time since 1969, the retail market has recorded a sales decline. The broadening of the sales tax base will be costly in terms of jobs and sales.

**The poor:** Increasing the Ontario hospital

insurance plan premiums is regressive and inflationary; it hits those hardest who can least afford it. In addition, the retail sales tax hits the poor.

Municipalities will now pay seven per cent on building materials for capital works, and the municipalities have spoken to our government through the committee about their concern of this increase on them.

Universities, colleges, schools and school boards are numbers six, seven and eight. The rest are children, women, people on fixed incomes, farmers, commuters, conservers, property owners, automobile and truck operators, students, hotels and motels, babies and pet lovers. That is the top 20, and each one of them is on the Treasurer's hit list.

The Treasurer is not here, again. I cannot help but observe that through a lot of this process he has not been here. He chose, shortly after the budget was introduced, to find his way to northern Ontario for a small—

**Hon. Mr. Norton:** How can he be here if he's downstairs in committee?

**Mr. Van Horne:** The Minister of the Environment observes that he is downstairs now. That is wonderful. I am glad he is down there. I am referring more specifically to those many days when he found it necessary to be either in northern Ontario or over in Japan doing whatever over there.

He has been criticized high, wide and handsome, not only by people in this Legislature but also by people in the media. Let me quote very briefly from notes that were passed on to me from one of the Metro Toronto radio stations reflecting its editorial opinion mixed with that of the people from the firm of Clarkson, Gordon.

"There is no help for the auto industry. Why didn't the government take one of our industries and create jobs in it?" The specific industry referenced in this commentary was the lumber industry. "We grow trees. When we cut them they are processed in other countries. Then they are returned here." There are a whole lot of other examples used in this commentary, but the point of it is that there is no attempt to do anything in the long-range sense for either the auto industry or the lumber industry.

The temptation is great to go to the media for all the comments they have made and to use them as some of the thrust of what we present. Let me, rather than referring to the specifics of columns or columnists, simply pick out the

effects as they have seen them, and as we have seen them, and do this in random form.

I mentioned the top 20 a few moments ago. The spinoff of this budget is that it is not just the single-barrel shotgun approach but rather the double-barrel shotgun approach wherein the taxpayer realizes the effect through the adding on of sales tax to items that heretofore were not taxed.

The women of the community have all expressed disdain at the taxing of personal or sanitary products. On top of that, they and every one else in the province will be double taxed through having to pay the additional property tax, municipal tax, increase in fares for riding on public transit or whatever it is, because the effect is felt there too.

**5 p.m.**

The Toronto Transit Commission budget will be increased through this Treasurer's budget by over \$1 million. Service on vehicles and labour costs which heretofore were not taxed will be taxed. Therefore, one will find additional costs when one has repairs done on one's automobile or when having goods transported to a residence or place of business; the truck that brings them has had to pay the additional costs of whatever repairs and maintenance it has had.

Some people in southwestern Ontario involved with repairing large vehicles, particularly trucks, have expressed concern that the truckers, many of whom are operating on a marginal base, may well try to keep on the road vehicles that should not be on the road simply because they cannot afford that extra bit of tax.

That brings the other problem to all of us. There would possibly be the risk of serious injury from a number of vehicles being on the road that should not be on the road, but are on the road because the guy has to make a living and he is hoping that truck which needs repairs may go for one more month.

The budget with its retail sales tax effect as it is seen by such people as myself means looking with growing scepticism at the Conservative government as to the promise being kept from that 1981 election. This government is going to do whatever it can without regard to the feelings of the little guy on the street and this is going to happen again and again.

If we who sit in this chamber feel some magic solution will come out of the committee hearings, which the minister opposite pointed out a few moments ago are finishing this afternoon, we are all grossly naive. Even members on the



back benches of the Conservative Party have indicated the exercise is one of futility.

We as a political party on this side were able to achieve the opportunity to provide people who felt very strongly about the adverse effects of this budget with some arena or vehicle to express their displeasure. But if one sits here and thinks some magic wand will be waved by the Treasurer in a few days, if one thinks he is going to say, "Yes, on reflection, the last 30 hours of committee have made me realize something grievous is happening to the taxpayers in Ontario and I must change," then one is smoking something quite strong that is making one think rather strangely.

Let me submit that little will happen. He might make the odd small, regulatory change to accommodate the odd, small minority group, but by and large the majority of the people in Ontario are going to have it stuck to them as thoroughly as possible for the remainder of this year. I submit he is going to stick it to us next year if he is around as Treasurer next year. If he is not, some other poor sap over there is going to have to do the job in his place.

In spite of all that has been said about the Treasurer, I do not really think he was mastermind of this whole scheme. I think we have to look behind the scenes to the mandarins in the Treasury, to those \$60,000 or \$70,000 geniuses who have the expertise, research tools and polling available to them, which allows them to manipulate and put some program together called "Budget 1983" and perhaps "Budget 1984." Then the magic of an election will appear and the goody-bag will open up again in the fond hope that the people of Ontario will forgive and forget. After all, these are tough times and we need the dough.

I hate to be sceptical as I wind up these few comments but five short years in this Legislature have wiped away some of the naivety from these middle-aged eyes and this middle-aged mind, so I hope that what I am uttering is pretty close to the mark. It grieves me to say it, but anyone who expects wonderful change through pressure in this debate or in the committee exercise, is not living in the real world.

We on this side of the House have offered a variety of programs as viable alternatives which could be tied into budget projects. In my view, one of the finest papers on energy alternatives for Ontario was presented by our party within the last couple of years.

We had what I think was an excellent proposal for interest relief for home owners. We

had a variety of programs, including an industrial strategy, which could have helped this province immeasurably. But never in the five years I have been here has the government put aside its biases and said: "By golly, those folks are right. They have something we should call on. Let us use a little bit of that expertise from the other side of the House."

But they do not do that. They blunder ahead. They foul up the finances of this province and get themselves into such wonderful programs as jet planes and Suncor, neither of which they can afford; particularly the Suncor situation in which we find ourselves. There is no way in the wide world that this government should be getting itself involved in what is basically a private sector enterprise.

I want to conclude by submitting that the budget is a total and absolute disaster. I do not recall any single issue in my five years of elected provincial office, or in my seven years in municipal office in the community of London, which has aroused such opposition. The constituents I represent have never complained to me about anything more than they have about this budget.

I have had more phone calls, more visits to my office and more people stopping me in the street in the fine community of London, Ontario, to say to me: "What you people in the opposition are doing by speaking out, by criticizing, by drawing matters to the attention of the public in the best way you can, is meaningful to us. We appreciate what you are doing. That government has been there too long."

I have one or two other little asides about the response of the people in my community to the press reaction, and I would submit that generally the Metro press reacted to us with a little bit of surprise, initially. The people in my community said to me: "Do not worry about people being critical of your tactics in bringing this terrible, disastrous budget to the attention of anyone who will listen. We in London are with you. It is a terrible budget. See if you cannot get Mr. Davis to go to the polls again on this one. Let us see what that promise is."

**5:10 p.m.**

Mr. Speaker, let me conclude by submitting to you that I am very proud of my colleague the member for Rainy River (Mr. T. P. Reid) and of the job he did in presenting our party's case. I am very proud of my leader and of my colleagues who have also spoken on this issue, because we feel very strongly that the Treasurer's budget is bad for Ontario and that it is wrong-

headed. And please, let us hope that some common sense will find its way into the future budgets of this great province of ours.

**The Deputy Speaker:** The member for Hamilton West.

[Applause]

**Mr. Piché:** You cannot sit down now.

**Mr. Allen:** Mr. Speaker, I understand from the gentleman opposite that I cannot now sit down. I have heard a few things about maiden speeches in the last few days, and I am at least a little fortunate that, unlike one of my colleagues, I have somewhat more than 45 seconds to deliver mine.

On the other hand, I also get the impression that maiden speeches are something like greatness: Some people prepare for it, some people seize it, other people have it thrust upon them. I will leave it to your imagination which one happened to me in the late hours of this morning's caucus meeting.

**Mr. Samis:** We are still waiting for René to make his.

**Mr. Boudria:** René, when are you going to make your maiden speech?

**Mr. Piché:** Nobody has asked me yet.

**Mr. Foulds:** We are asking you now.

**Mr. Allen:** The member for London North (Mr. Van Horne) has dealt with some of the general aspects of the budget; with some of those, of course, I agree, and in other respects I would want to extend his remarks in a number of directions.

I would also like to say that the recent by-election in Hamilton West was, in effect, a mini-referendum on two budgets, and one of those was the budget delivered in this House on May 13, almost a month and a half ago.

My initial reaction to that budget was to move to different parts of the riding and to sample reactions, and I found that the general reaction was a very instantaneous one. The reaction was that the budget was a retrograde budget that would not achieve many, if any, of its overall objectives; that it was an inadequate response to the economic crisis that has settled over this province; and that it would be serious in its impact on the major institutions in my riding, whether we are speaking of local government institutions, educational institutions such as universities and school boards, or small businesses.

But more than its economic impact, what I want to communicate not just to the House but to the government sitting opposite is that those

first reactions were not just of an economic but of a moral character. The budget was judged inadequate as a moral response to the problems of depression pressing upon our consciences. It was recognized early as a budget for survivors and not for hurters; it was recognized early that it offered no help whatsoever to those on disability pensions, to 150,000 single seniors who were vainly striving, vainly hoping for some kind of catch-up provision for their long-eroded pensions.

Hamilton West contains a lot of families who are hurting as a consequence of the depression. Almost every family that one visited in the course of the election campaign could point to a member who was unemployed, somebody who was losing a house through a mortgage problem and so on.

Hamilton West, while it contains a very large labouring population—and that labouring population knew immediately who would be bearing the brunt of the depression circumstances and who would, in turn, be bearing the brunt of the newly proclaimed budget—is also a constituency that includes a lot of voluntary associations and many members of its population who participate in them.

These are people whose consciences have been honed by long practice to recognize difficulties in various parts of the riding. For example, they know that a year ago drop-ins to the mental health centre in Hamilton West were up by 80 per cent and they are up 100 per cent for this past year over that earlier statistic. That is largely a consequence of the effects being felt because of the economic circumstances of our times.

People involved in those organizations were offended at the extension of the sales tax. They saw it as a burden directly on the poor. They were offended that disabled and single seniors saw no catch-up in purchasing power. They were offended even more at the state of mind the budget represented. They were offended by the post-budget commentaries by the Treasurer of this province relating to whether the poor should drink pop, working people should invest in hamburgers on the lunch hour or women should consider certain articles necessities or not. To them, that spoke of a government that was utterly and incredibly insensitive to people and their needs. They repeatedly said it was a government too long in power and too much out of touch.

In my first remarks, I want to emphasize that the reaction in Hamilton West was not simply an



economic reaction. It was not just irritation to small sales tax items that might affect us all in our pocketbooks in some measure or other. The reaction in Hamilton West was a moral protest against what was fundamentally an immoral budget.

Let me be a little bit more particular. I want to come to some of those institutions of Hamilton West and to relate some of the impacts that budget is having on them.

The university is the fifth largest employer in Hamilton, and that is excluding the Chedoke-McMaster Hospital from that calculation. It is also an educational institution of long-standing and one which has made a historic contribution to this province.

Having drawn up its budget, that university suddenly found itself faced with finding \$1.5 million that it had to scramble around and get somehow as a result of the impacts of the various taxes that were now to be imposed upon it. Those figures take no account of the students at that university who find that maintaining themselves at university is an increasingly difficult proposition. For example, in the reports they made to the sales tax review committee last night they said they find the charges on meals, even with the new regulations the Treasurer is suggesting he will put in place in that respect, are heavy ones for them to bear.

There are many students at the university who do not live in residence and cannot take advantage of the meal plan rebate. There are many of them at Mohawk College, which of course is outside my riding, who do not live in residence at all and who therefore cannot qualify for the regulatory release the Treasurer has provided.

Despite the 12.2 per cent increase in the funding of the university system in this last year and in spite of some increases in the Ontario student assistance program, this budget maintains the pressure upon the university which it has felt for the last half dozen years at least and which, as John Fraser observed in a recent article in the *Globe and Mail*, "has reduced discussion in the universities to matters of budgetary trivia, anxieties about appointments and has led those noble institutions in our province away from concern with their major purposes as universities in our society."

To move on from the university to local government, what is the impact of that budget upon the city and the region? The regional government has calculated that the impact of the increases in Ontario health insurance plan

premiums; the extension of the sales tax; the impact on transit, water and sewer and engineering programs; the tax on magazines and printed matter, and the tax on labour charges for installations, repairs and maintenance will add an additional \$890,000 at the least to its budget.

In a similar review, the city discovered that the impact on its budget will be of the order of \$548,000, or, for both levels of government combined, approximately \$1.5 million on an annual basis. Those calculations are made worse when we consider the low level of transfer payments that are being handed to municipalities this year. There was a 6.6 per cent increase over last year, half the rate of inflation.

**5:20 p.m.**

If we look at another transfer payment, namely, for social assistance, to help cope with transferred programs like family benefits for which municipalities now have to carry the increasing burden, there has been a mere 1.6 per cent increase in the transfer payments to assist those governments to handle such programs. That is an insult to a self-respecting government in this city and to the self-respecting municipalities across this province.

The Hamilton school board, like others in the region, has recorded a similar dismay about the impact of the budget on its own budget. Having trimmed its budget of all the fat it could in a basically no-increase budget over the past year, the Hamilton school board has found itself saddled this year with an increase of something like \$383,000 as a result of the increase in the Ontario health insurance plan and the extension of sales taxes, and it looks forward to a cost of \$600,000 next year.

When we turn to the taxpayers of Hamilton West, it is not surprising to hear the constant complaint about increased taxation, especially among property owners who have to bear the burden of taxation. Municipal administrations cannot go into deficit and they have to come up with the money somehow to bear these additional costs. What is new about anxiety in regard to taxation? Perhaps nothing much, except that the voters in Hamilton West have not always been sure how to explain the pressure they felt.

It became increasingly plain to me, as the election we just went through proceeded, that they were beginning to understand how the squeeze on their pocketbooks and salaries was becoming so onerous. They began to understand that it was a systematic downward transfer of programs to the municipality, a weighting of

educational budgets more upon the municipality and less on the province.

Even more, they were beginning to understand the radical changes that had taken place in the taxation system in this province over the past 20 years. Members of this House may understand very well that the balance of personal and corporation taxes in this province has radically altered over that period, but the public has been rather slow in catching on to that fact. I think they are learning. They are beginning to understand that while 20 years ago for every personal tax dollar \$1.79 was paid by business taxes, for every personal tax dollar now, business pays something like 23 cents. It is obvious that the present budget simply continues that trend, that revolution in taxation that is burdening small- and middle-income earners in this province so heavily.

The most immediate example of that lies in the budget's provisions with respect to small businesses, in particular the two-year tax holiday offered to a minority of small businessmen. Those small businessmen also have not always been aware of the way in which their own tax dollars functioned in relationship to economic stimulation, the budget as a whole and the problems they face in the marketplace. If I can digress for a moment, numerous studies in taxation have revealed that corporate tax concessions are one of the most ineffective ways of maintaining an economy, stimulating economic growth, creating jobs and increasing incomes, whether for working people or in profits for business.

A recent study by Reza Ghaeli at McMaster University, which was examined closely by half a dozen outstanding economists, looked at the macroeconomic effects of increases in the corporate income tax upon the Canadian economy. Using the very complex trace model at the University of Toronto, the study argued effectively that, even in a time of depression, to engage in moderate increases in corporate income tax if there was offered at the same time an equivalent release of taxation at the lower end of the income scale, produced a through-the-economy benefit. The taxpayer got the first benefit, the small businessman got the benefit of the extended purchasing power and it went right through to business profits.

The small businessmen in my riding tell me what they need most of all is a market. What has the Treasurer done? He has given a minority of them a small tax relief which will be quite ineffective in creating jobs. It looks not bad in

gross figures, but when one averages it out the impact will probably be very small and the funds likely to be absorbed in carrying charges, etc.

Secondly, the Treasurer has not tried to maintain jobs. Surely when the economy is in a downward spiral it is as important for us to undertake to maintain jobs as it is to produce them. He has not tried to maintain jobs by providing help for those small businesses which are finding themselves on the margin of existence.

Thirdly, he has constricted seriously their anticipated market by withdrawing several hundred million dollars in new sales taxes from the market in Ontario, some \$50 million of that from my region alone. Far better for him on all counts, first of all, to have maintained the small business tax in place; secondly, to have offered a relief program to small marginal businesses, and thirdly, to have abandoned all thought of sales tax extension and Ontario health insurance plan premium increases.

I have talked to small businesses and have had press conferences with small businesses in the course of the recent by-election. The small businessmen of Hamilton West tell me this budget is of no help to the average small businessman in that riding. Indeed, some see it as a disaster matched only by the federal Liberal budgets of recent months and recent days.

On the subject of job creation, as one reviews the budget and the impact of the budget on major employers in Hamilton and Hamilton West it is evident that they will be hard pressed to find the funds necessary to indulge in much job creation activity. Working people can look for no help beyond a modicum of small temporary make-work projects.

At a time when unemployment in Hamilton is reaching the 50,000 mark and registers a 74 per cent increase over the period since the government was elected, it is tragic that this government really has no energetic industrial strategy put in place to answer the needs of the heavy industry of Hamilton. That is a subject upon which one could dilate at some length, but I think the matter stands as I have observed.

There is no serious attempt to deal with import replacement for the Ontario economy. This can only be done by tackling some of the major import areas, particularly those which heavy industry can serve; for example, in the area of mining machinery. Nothing appears to be happening of very great consequence for Hamilton's heavy industry as a result of the Sudbury machinery centre.



As I said, one could dilate upon that point at some length. None the less, I think the point will be picked up by other speakers. The point I want to make is simply that there is no industrial strategy in place adequate to the needs of industry in Hamilton West.

I would point out, finally, that the renter population in my riding stands at 55 per cent. Driving through Hamilton one would think it was a community of small home owners, but the majority of people in that constituency are renters. The housing program built into the budget, which has been urged by the Treasurer not only as a work project but as a relief for renters, is one that offers very little, if any, hope for renters in Hamilton West.

**5:30 p.m.**

The terms of the housing grant make it almost impossible for anyone apart from those earning \$40,000 or more to take advantage of it. Second, as far as the works end of the project is concerned it is quite evident that the moneys devoted to that program will go to buying up the existing housing stock in the Hamilton area rather than to stimulating further housing construction.

In short, as I review the impact of the budget on a riding like Hamilton West and as I look at its various sectors and its various institutions, I want simply to submit to the government opposite that the verdict from Hamilton West on the budget we have received from the Treasurer is that it is one which makes neither economic nor moral sense and that it is, in effect, an affront to this province.

**Mr. Sweeney:** Mr. Speaker, I understand there is going to be an empty seat in the front row of the New Democratic Party benches, and maybe the member for Hamilton West (Mr. Allen) should be invited to move up there. It may be more difficult to fill that seat in ways other than the party suspects.

**Mr. Cassidy:** Eat your heart out.

**Mr. Sweeney:** We shall see. Time will tell. It is going to be more difficult than they think. I think they are on the run.

My compliments to the member for Hamilton West. That was a most appropriate maiden speech. I was a little bit surprised by the timing, because I had been led to believe that university professors and lecturers were programmed to speak in 50-minute intervals, take 10 minutes for a break and then come back for 50 minutes again. I can only—

**Mr. Foulds:** The new member for Hamilton West is not programmed the way the former member for Hamilton West was.

**Mr. Sweeney:** Oh, I see. That is one way of looking at it. Anyway, my compliments to the new member. In addition to my other colleagues who have already expressed this, I welcome the honourable member to this House and hope he will enjoy his stay here, at least until the next election. After that only time will tell.

**Mr. Nixon:** Next time his whip should give him a little more notice.

**Mr. Sweeney:** Yes. If the member was invited to participate in this debate only this morning, I would suggest a few knuckles should be rapped over there to clarify who is organizing that place. We understand from vague sources that there is a whip who gets extra money for doing these kinds of things. I think he should be charged a penalty for that kind of behaviour. Maybe the member for Hamilton West can introduce an appropriate suspension program for that kind of behaviour.

In the 25 minutes that remain, maybe a few after that, let me speak about what I think is the most important point in this entire budget. It was interesting that when the new Ministry of Industry and Trade was announced and the minister had an opportunity within a couple of weeks to observe the primary function of his ministry, he used the expression, "Jobs, jobs, jobs."

It was an interesting parallel when the Treasurer (Mr. F. S. Miller) introduced his budget that on several different occasions he pointed out the need to create employment in this province. I will not take the opportunity now to quote him chapter and verse, but the other members of this Legislature will well remember the number of times he made references to it, both direct and indirect. He referred to a number of the budget provisions as being in there precisely as employment generating provisions.

I was a little concerned when he indicated with respect to youth employment in Ontario that while there were hopefully going to be 31,000 jobs generated by this budget, all of them, every single one of them, would be temporary. There would be a few generated this spring, a few generated in the summer and a few generated in the winter. In every case, they are temporary jobs.

It was also notable that in the one program indicated in the budget with respect to summer employment, there was actually a decrease.

Whereas the summer Experience program had generated something in the neighbourhood of 10,000 jobs in 1981, it was projected to be going to generate only something like 8,800 jobs in 1982, a decline of 1,200 jobs.

That should not have been surprising to us, because when we look at the statistical tables at the back of the budget we notice that for the last four years the allocation of funds and the number of jobs created by this summer program have declined every single year.

The other thing we note in the budget with respect to job creation and the whole unemployment question is some of the incentives that were going to be provided to school boards and municipalities. This is one of those cases where the Treasurer giveth with one hand and taketh away with the other.

We have been made very aware over the last four or five days of hearings on Bill 115 with respect to the sales tax that these incentive programs that are supposed to create extra work in our municipalities, our universities and our school boards are going to have a disincentive effect built right into them because of the sales tax provisions.

On the one hand, the Treasurer, representing the government of Ontario, stands up and says, "We are doing these wonderful things to create work in your municipalities and with your school boards and your universities," but on the other hand he says: "We are going to charge sales tax on the materials and on the labour component of some of these other charges. Therefore, you are going to end up with less money." As I said, it is "Give with the right hand and take away with the left."

There is another interesting aspect to this budget. This government has on a number of occasions expressed deep concern about alternative energy forms and conservation forms in this province. Yet we have another contradiction in this same budget. Those people who have been heeding the government of Ontario, who have been planning to put insulation, storm doors or storm windows into their homes and, generally speaking, to adhere to the admonition to conserve and to look at alternative energy forms, are going to be taxed as well.

As a matter of fact, there is an interesting twist in this budget. We are going to have some people in Ontario who are going to be eligible for federal government grants through the Canadian home insulation program. If they insulate their homes they can get something like up to \$600 through the federal government program.

Yet, lo and behold, the provincial government is going to turn around and take seven per cent of that money away from them.

Here we have, I am assuming with some reasonableness, people in this province wondering whether the two levels of government talk to each other or whether one even wonders what the other is doing. On the one hand, they get one level of government giving them \$600 to insulate their homes, and they get another level of government taking some of that money back again because they do the very thing that level of government had advised them to do, insulate their homes.

With respect to alternative energy sources, we know how long this government has been on record, at least in words, as saying it wants to establish alternative energy, it wants to create jobs through the alternative energy program and it wants householders to consider using alternative energy forms. Yet, once again, those very alternative energy materials are going to be taxed. Is it any wonder that the people of Ontario have discovered a very wide credibility gap in their government? These kinds of inconsistencies and internal contradictions come up time and time again in this budget.

**5:40 p.m.**

I want to spend my time in the latter part of this afternoon, and for a little time in the evening, speaking to the topic with which I introduced my remarks. That is the whole question of unemployment and job creation, and particularly youth job creation. By youth, I am referring to the age group of 15 to 24.

The Speaker will be well aware, as are other members of this House, that I was part of a task force that went around the province for three months, beginning in March of this year and concluding in June. I met with young people around this province who were unemployed, with employers, with various counsellors and with representatives of various social agencies to try to find out precisely what the problem was and what could be done about it.

I was trying to find out why it was that down through the past two decades, at least in Ontario, youth unemployment was always double the unemployment rate for any other age group in this province. Whether we were in good economic times or poor economic times, the young people of this province were always paying a double penalty.

That is true all the way back, no matter what period we look at and no matter what part of this province we visited—and we visited all corners



of this province. We went from Ottawa to Windsor, from Niagara Falls up to Thunder Bay, and everywhere in between. We talked to the people directly affected by the problem, the young people themselves and the adults who were working with them.

We found the same pattern repeated everywhere, no matter what the unemployment rate was in any community. If it was 11 per cent as a general rate, it was 20, 21 or 22 per cent for young people. If it was 13 or 14 per cent as a general rate, it was 26, 27 or 28 per cent for young people. Across the province as a whole, it is a little more than eight per cent, but for young people in April and May 1982 it was 16.4 per cent. As a matter of fact, in May 1982, the last date for which I have figures, we had 186,000 people between the ages of 15 and 24 out of work in Ontario.

I am not talking about young people who are looking for summer employment. I am talking about young people who are looking for permanent, full-time employment. Those are people who have dropped out of our secondary schools, who are graduates of our secondary schools, who have spent some time in colleges and universities or who have graduated from colleges and universities. Those are the people we are talking about.

We are not talking about those who are looking for summer employment so they can go back to school next year. That is a whole other concern altogether. There are about 80,000 young people like that out there. That is a whole other problem altogether, and we have to deal with that as well.

Right now, I am talking about those young people who are looking for full-time permanent employment, those young people who in many cases are beginning their employment lives in this province. When we talked to those people, they were angry, frustrated and very depressed. There are a lot of young people in this province who have a very bad taste in their mouths about the beginnings of their employment lives in this jurisdiction.

I want to say at this time that I do not want my words to be taken in any partisan context. As a matter of fact, as we spent three months crisscrossing this province, we made it very clear that we were not doing this just for partisan purposes. We really wanted to find out what the problem was. We really wanted to come up with recommendations which were credible and which we could in good faith pass across to the

government and ask them to consider and hope they would take some action on.

I have submitted copies of the report of our task force to the Minister of Education (Miss Stephenson), the Minister of Industry and Trade (Mr. Walker) and the Minister of Labour (Mr. Ramsay), because a number of the recommendations deal with their ministries, as well as to the Provincial Secretary for Social Development (Mrs. Birch) and the member for Brantford (Mr. Gillies), who is the parliamentary assistant in charge of the Ontario Youth Secretariat, which is responsible for dealing with youth problems for the province. In each case, we asked them to look at our findings in the report and the recommendations that were made to us to see to what extent they could be implemented in Ontario.

The other point I want to make is that these recommendations are not mine. They are not the recommendations of the other members of our task force, the member for Prescott-Russell (Mr. Boudria) and the member for Essex South (Mr. Mancini). They are not the recommendations of the members of this caucus. They are recommendations that have been given to us by the people of this province, the young people and employers, counsellors and various social agency people. These are the recommendations which we transmit to the members of the government in this House.

The kinds of recommendations which are in our report and which I will talk about now are really not new. One of the very disconcerting aspects of this exercise was that when we initially began our research on this project, when we looked back to find out who had done anything like this before and what kinds of thoughts they had, what kinds of recommendations they made and to whom they had spoken, we found that it was not new. We went back to 1963, which is almost 20 years ago.

We went back to the Simonett commission's report on manpower training. It was headed by J. R. Simonett, who was a member of the government of Ontario at that time. The thing that struck us forcibly was the similarity between our recommendations and the recommendations made to the government of Ontario by one of its own members after conducting a study and being part of a commission which that government itself had set up.

Let me refer to the recommendations of the Simonett report of 1963. It said, "We should not depend upon a continuing supply of skilled talent from overseas." How many times have

you heard that, Mr. Speaker? How many times have members of the government heard that? For far too long this province has relied upon importing skilled help, primarily from Europe. The businessmen and the industrialists of this province have relied for far too long on importing skilled help from Europe at the same time as we have more than 100,000 young people—as of May this year, 186,000 young people—out of work.

Yet what have we been doing? Year after year, we allow the businessmen and the industrialists to send their representatives to Europe to hire their skilled help. Why? It is because they will not train them here. Why will they not train them here? It is because there is no requirement that they train them here.

5:50 p.m.

The true irony and frustration of this whole concern is that many of the companies that operate in Ontario and refuse to train their own skilled workers are the very same companies that have plants in Europe—West Germany, France, Sweden and England—in those countries where it is a legislative requirement that they train their workers. I want to make that particular point.

**Mr. Philip:** Thanks to the Democratic Socialist governments that put in that requirement.

**Mr. Sweeney:** I do not care who did it. I would be quite happy if the honourable member wanted to make the recommendation. I would just like to see it happen. I do not care who does it. The fact remains, it needs to be done here.

What really annoys me is that I have raised this issue on numerous occasions in this House. When I was the critic for Colleges and Universities, I raised this issue. When I was the critic for Education, I raised this issue. Since I have become the critic for Industry and Trade, I have raised the issue again. Yet each time the particular minister would, with a sanctimonious air, say to us: "Oh, but we can't do that. We would drive industry away from our jurisdiction. They won't locate here. They won't create the jobs here if we force them to do things like that."

It does not seem to have that kind of an impact over in West Germany, France, Sweden or England. They do not have that problem over there. It does not drive industry away.

I have talked to people from those jurisdictions and they have made it clear to us that industry over there did not particularly want to do it. I was talking to a couple of people from England who were involved in the training

process. One said business and industry in England were dragged kicking and screaming into this program. They did not want to do it at all. They gave all the same arguments that the businessmen in Ontario are giving today, that they cannot afford it and that they do not get enough help from the schools.

He also told me that once they were in it, and this was well over a decade ago, and began to realize the advantages of training their own people, those criticisms and complaints declined rather remarkably.

**Mr. Kerrio:** What was Ontario Hydro's excuse?

**Mr. Sweeney:** My colleague the member for Niagara Falls reminds me of the Hydro experience.

**Mr. Piché:** Never heard of him.

**Mr. Sweeney:** Does the member for Cochrane North remember the Hydro experience? I will tell him a little story. It goes back about three or four years, to 1978-79.

We were advised that Ontario Hydro was going to bring 75 nuclear technicians over from Europe. Why? It needed those nuclear technicians to run all those nuclear power plants Ontario Hydro was building, the ones it built at Pickering 10 to 12 years ago and the ones built at Douglas Point seven or eight years ago. It told us it had to bring those nuclear technicians over to run those plants.

We said: "Wait a minute. Why don't you train those people here to run those plants? You are supposed to be the world leaders in nuclear power generation technology. Why are we not training our own people?" The minister of the day replied: "We are sorry, but we do not have enough time. We need them right now."

Just stop and think of the implication of that answer. Here we were, in 1978-79, being told that Ontario Hydro needed nuclear technicians to run its power plants, but it needed them now. My God, we knew 15 years ago—more than that—

**Mr. Kerrio:** Twenty.

**Mr. Sweeney:** Almost 20 years.

**Mr. Piché:** Don't ask Vince. He doesn't know.

**Mr. Sweeney:** Let us cut the ice a bit and say 15 years ago. At least 15 years ago, Ontario Hydro had its demonstration plant just north of Ottawa and it was already committed to nuclear technology. The first plant came on stream well over 10 years ago. So what does it mean that it did not have time? Sure, it did not have time right then, but it knew for 10 to 15 years in



advance that, if it were going to build these plants, if these plants were going to be operational, then it would need technicians to run them.

That is fairly elemental. I can quite accept that somebody would be suddenly faced with the need for skilled people, a need he could not have anticipated; I might not be very happy with it, but at least I could understand it. But when you know 10 to 15 years in advance that you are going to need these people and you still do not train them yourself, if you leave yourself the option of going over to Europe to bring these people here rather than training your own young people, then that is a scandal and there is no excuse for it.

It is bad enough when private industry in this province does those kinds of things; it is not under any government control whatever. But when an agency of this government, Ontario Hydro, does that, it is even more inexcusable.

Anyway, it is said, "This is something that has just occurred." But it did not just occur. This very warning that we could no longer continue to import our skilled help, that we were going to have to train them ourselves, was contained in the 1963 report commissioned by this government. It was not commissioned by the federal government, by any university or by any opposition caucus; it was commissioned by the government of Ontario 20 years ago. So do not let us hear any of this nonsense that we did not know.

What else did the 1963 report say? It indicated that we need a solid foundation in the academic fundamentals of maths, science and language. That was in 1963. Yet what did this government do? In 1968 and 1969, five or six years later, they brought the wonderful option program into the secondary schools of Ontario. Until 1974 it was not even a requirement in Ontario for a student to study mathematics, English or science. Only in 1974 did they bring back the requirement that students in Ontario had to take mathematics, and then for only two years in the secondary schools. It was not until 1976 that they brought back the requirement that students study English, the communications skills, and science—and they have to take science for only one year.

Here we have a commission set up by the government of Ontario indicating in 1963 that it was absolutely essential that all our students have a background in science, mathematics and English—or French, as the case may be—and

yet we have the government of Ontario between 1968 and 1976, a full eight years, not making it a requirement that the students of Ontario should study those very basic subjects.

Is it any wonder that we still have employers in Ontario expressing concern with, and a lack of credibility in the academic background of graduates of our secondary schools? Even though this is not completely true any longer, the credibility gap, the concern is still there.

Mr. Speaker, I see that it is almost six o'clock and I still have a few things to say. Perhaps this would be an appropriate time for me to adjourn this debate.

**The Deputy Speaker:** No, I think I will be just leaving the chair; but before that, the acting government House leader has a motion.

**Hon. Mr. Gregory:** Mr. Speaker, I wonder if I may ask the House to agree to revert to motions. The reason is to present a motion from the administration of justice committee.

Agreed to.

## MOTION

### STANDING COMMITTEE ON ADMINISTRATION OF JUSTICE

Hon. Mr. Gregory moved that the standing committee on administration of justice be authorized to sit this evening after the committee stage of Bill 29 in the House to complete its consideration of Bill 62, An Act to amend the Municipal Boundary Negotiations Act.

**Hon. Mr. Gregory:** Mr. Speaker, the purpose of this motion is that the committee has decided it needs more time to hear delegations from Tiny township and some of the municipalities, and it has asked for additional time; but because we have a municipal bill in the House, Bill 29, with the same parliamentary assistant taking part, it was felt that we could deal with that in the House and then allow the administration of justice committee to sit again after that.

I will give a further explanation if I may. The House leader of the Liberal Party looks somewhat puzzled.

**The Deputy Speaker:** No. He agreed.

**Mr. Nixon:** We are going along with practically everything.

**Hon. Mr. Gregory:** Thank you.

Motion agreed to.

The House recessed at 6 p.m.

## ERRATUM

No.	Page	Column	Line	Should read:
92	3319	2	51	Vespra townships are small, they should not be

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